

**34<sup>th</sup> ANNUAL REPORT (FY 2022-2023)**

**SHRI GANG INDUSTRIES**

**&**

**ALLIED PRODUCTS LIMITED**



# C COMPANY Information

## **NON EXECUTIVE CHAIRMAN OF BOARD**

MR. SYED AZIZUR RAHMAN

## **EXECUTIVE DIRECTOR**

MR. ARUN KUMAR SHARMA -WHOLE TIME  
DIRECTOR

## **NON EXECUTIVE NON INDEPENDENT DIRECTOR**

MR. SANJAY KUMAR JAIN  
MR. VYOM GOEL

## **NON EXECUTIVE INDEPENDENT DIRECTOR**

MS. SEEMA SHARMA  
MR. VISHAL SINGH

## **CHIEF FINANCIAL OFFICER**

MR. ANIL KUMAR GUPTA

## **COMPANY SECRETARY**

CS KANISHKA JAIN

## **STATUTORY AUDITORS**

PAWAN SHUBHAM & CO., CHARTERED ACCOUNTANTS

## **SECRETARIAL AUDITORS**

MONIKA KHOLI & ASSOCIATES, COMPANY SECRETARIES

## **BANKERS**

HDFC BANK LIMITED

## **REGISTRAR & SHARE TRANSFER AGENT**

BEETAL FINANCIAL & COMPUTER SERVICES PVT. LTD.  
BEETAL HOUSE, 3RD FLOOR, 99, MADANGIR, NEW DELHI-110062  
CONTACT NO- +91-11-2996 1281/83

## **CORPORATE OFFICE**

F-32/3, GROUND FLOOR, OKHLA INDUSTRIAL AREA,  
PHASE- II, NEW DELHI-110020, CONTACT NO- 011-42524454

## **REGISTERED OFFICE**

PLOT NO-B-2/6 & 2/7, UPSIDC INDUSTRIAL AREA,  
SANDILA, PHASE IV, HARDOI,UTTAR PRADESH- 241204

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## **NOTICE OF 34<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the Thirty Fourth (34<sup>th</sup>) Annual General Meeting (AGM) of the members of **M/S SHRI GANG INDUSTRIES AND ALLIED PRODUCTS LIMITED** will be held on Friday, September 22, 2023 at 3.00 P.M. through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”), in conformity with the regulatory provisions and the Circulars issued by the Ministry of Corporate Affairs, to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at Plot No. B-2/6 & 2/7, UPSIDC Industrial Area Sandila Phase IV, Hardoi, Uttar Pradesh-241204:

### **ORDINARY BUSINESS:**

1. To consider and adopt the Standalone Audited Financial Statements of the Company for the financial year ended 31 March 2023, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of **Mr. Sanjay Kumar Jain (DIN: 01014176)**, who retires by rotation, and being eligible, offers himself for re-appointment, in this regard, to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 152(6) of the Companies Act, 2013, Mr. Sanjay Kumar Jain (DIN: 01014176) who retires by rotation and being eligible offers himself for re- appointment, be and is hereby re-appointed as a Director of the Company.”

### **SPECIAL BUSINESS:**

3. **RE-APPOINTMENT OF MR. ARUN KUMAR SHARMA (DIN: 09008061), AS WHOLE TIME DIRECTOR OF THE COMPANY AND REVISION IN HIS REMUNERATION**

To consider and if thought fit, to pass with or without modification(s), following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 152, 196, 197, 198 & 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) thereto or re-enactment(s) thereof for the time being in force) and subject to such other approval/permissions, if any, as may be required and in accordance with the Articles of Association of the Company and on the recommendation of Nomination & Remuneration Committee and approval of Board of Directors, the consent of the members be and is hereby accorded for re-appointment of Mr. Arun Kumar Sharma (DIN: 09008061), as Whole Time Director of the Company, designated as Key Managerial Personnel, liable to be retire by rotation, for a period of 2 (Two) years with effect from November 13, 2023 at a monthly remuneration not exceeding Rs. 2,50,000 /- (Rupees Two Lakh Fifty Thousand Only).

**RESOLVED FURTHER THAT** no sitting fees will be paid to Mr. Arun Kumar Sharma, Whole Time Director of the Company for attending meeting of the Board of Directors or any committee thereof.

**RESOLVED FURTHER THAT** the terms of re-appointment and remuneration may be altered, varied and modified from time to time by the Board of Directors of the Company, as it may at its discretion deem fit within the overall ceiling of Rs 2,50,000 /- (Rupees Two Lakh Fifty Thousand Only) per month and the limits specified under Schedule V to the Act or any statutory modification(s) or re-enactment thereof.”

**RESOLVED FURTHER THAT** in the absence or inadequacy of profits in the Financial Year during the currency of tenure of the Whole Time Director, the remuneration payable as detailed above shall be the minimum remuneration.

**RESOLVED FURTHER THAT** any Director/Company Secretary of the company be and is hereby severally authorized to sign and file the necessary forms and returns with the concerned Registrar of companies, Stock Exchange where shares of Company are Listed and to take such other actions and to do all deeds and things to comply with all the formalities required to be fulfilled in connection with the aforesaid resolution.”

#### **4. APPOINTMENT OF MR. VYOM GOEL (DIN: 10063284) AS DIRECTOR OF THE COMPANY.**

To consider and if thought fit, to pass with or without modification(s), following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** Mr. Vyom Goel (DIN: 10063284), who was appointed by the Board of Directors, , as an Additional Director of the Company with effect from June 23, 2023 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) and any other applicable provisions, if any, of the Companies Act, 2013 (“Act”) (including any statutory modifications and re-enactments thereof for the time being in force), and Article 96 of the Articles of Association of the Company, and who is eligible for appointment as Director and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to be retire by rotation.”

**RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary of the Company be and are hereby authorized to do all such acts, deeds and things, as the Board may, in its absolute discretion, consider necessary, expedient or desirable, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

#### **5. APPROVAL OF MATERIAL RELATED PARTY TRANSACTION(S) ENTERED INTO OR TO BE ENTERED INTO WITH M/S VINDESHWARI EXIM PRIVATE LIMITED (“VEPL”) DURING THE FINANCIAL YEAR 2023-2024.**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,

2015 (“SEBI LODR”) as amended from time to time, the applicable provisions of the Companies Act, 2013 (“Act”) read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company’s Policy on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time, if any, and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter into/continue to enter into Material Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with **M/s Vindeshwari Exim Private Limited (“VEPL)**, being the entity falling within the definition of ‘Related Party ‘under Section 2(76) of the Act and Regulation 2(1)(zb)of the SEBI LODR, during the Financial Year 2023-2024 (“FY”) in the course of selling of Extra Neutral Alcohol (ENA) to the VEPL (“Related Party Transactions”) on such material terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between related party and the Company, such that the maximum value of the Related Party Transactions with such parties, in aggregate, does not exceed value as specified herein below, provided that the said Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) shall be carried out in the ordinary course of business and are at arm’s length basis:

SR. NO.	NAME OF THE PARTY	RELATED TRANSACTION	AMOUNT FOR THE FINANCIAL YEAR 2023-2024 (INR)
1.	Vindeshwari Exim Private Limited	Sale of Extra Neutral Alcohol (ENA)	Upto Rs. 30 Crore

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as ‘Board’ which term shall be deemed to include the Audit Committee of the Company and any duly constituted/ to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**“RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

**6. APPROVAL OF ALTERATION OF MEMORANDUM OF ASSOCIATION (“MOA) OF THE COMPANY AND ADOPTION OF MOA AS PER THE PROVISIONS OF COMPANIES ACT, 2013.**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 4, 13 (including any statutory modifications or re-enactments thereof, for the time being in force) and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules 2014, the approval of Members be and is hereby accorded by way of Special Resolution, to alter and amend the Object Clause of the Memorandum of Association ("MOA") as follows:

- A. Clause III(A) of the Objects clause of the MOA of the Company be titled as **‘THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION’**.
- B. The existing Main Objects of Clause III (A) be altered by replacing the same with the following new Clause III(A) as under:

**Clause III(A) 1**

To carry on the business of import, export, production, preparation and manufacture of and dealing in vegetable ghee, oils, of every type and description, whether refined or otherwise and whether hydrogenated or otherwise, and for that purpose to set up, instal, purchase, import or otherwise acquire plant, machinery and related equipment, and to import, export, purchase, cultivate oils seeds, cotton seeds, coconuts, plantation, horticulture and fresh produce for the production of vanaspati or vegetable oils and ghee.

**Clause III(A) 2**

To carry on in India or elsewhere the business as manufacturers, processors, importers, exporters, agents, brokers, suppliers, whole sellers, retailers, distributors, stockists, dealers, godown keepers, C&F agents, del credere agents, developers, consultants, and to distil, prepare, manipulate, mix, blend, clean, pack, repack, protect, provide, promote, sponsor, market, modify, produce, bottle, pressure & crush, all sorts of liquors, beverages, alcohols, wines and other similar products such as brandy, whisky, rum, gin, beer, wine or derivatives, combinations, solvents, mixtures & formulas thereof whether made of natural or synthetic materials, all kinds of drinking products, mineral water, soft drinks, aerated mineral water, fruit drinks, artificial flavoured drinks, condensed milk and other consumables of every description for human consumption.

**Clause III(A) 3**

To carry on the business of producers, refiners, processors, manufacturers, buyers, sellers, distributors, importers, exporters, traders, agents, stockists and to market and supply all types of sugar, sugarcanes & high starch agro products, agro based products and by-products such as residues, ethanol, alcohol, electricity, carbon, hydrocarbons, liquid or gaseous petroleum and petroleum products, minerals and the products or the bye-products thereof or its feed stocks or which may be derived, produced, prepared, developed, compounded, made or manufactured therefrom and substances obtained by mixing any of the foregoing with other substances and any and all kinds, types, purposes, grades, forms and formulations of alcohol products including rectified spirit, potable alcohol and to put to commercial use and otherwise deal in any manner in all or any of them and their allied products and materials, and for this purpose establish, purchase, acquire, own, design, engineer, fabricate, build, alter, improve, operate, manage, maintain, repair, buy and sell refineries, pipelines, buildings, plants, equipment, facilities and outlets for the production, refining, processing, storage, supply, transportation and distribution of all types of sugarcanes and agro based products,

including those referred to hereinabove and derivatives thereof, whether liquid, solid or gaseous, and alcohol & power of all kinds and to provide consultancy in all respects of all or any of the aforesaid

#### **Clause III(A) 4**

To produce biofuels such as ethanol for selling to petroleum marketing companies to enable them to blend in petrol. To purchase or otherwise acquire any and all types of starch content agro based product and to manufacture, process, refine, treat, reduce, distill, blend, fractionate, convert, smelt, produce, purify, pump, store, hold, compress, bottle, pack, use, experiment with, buy, exchange, trade, transport, import, export, sell, market, supply, distribute or otherwise dispose of or deal in sugarcane, molasses, sugarcane juice, agriculture based products, spirit, energy related and power related products of any nature and kind whatsoever including, a. All Organic and inorganic chemicals and synthetic chemical derived from fermented high starch juice of any nature and kind whatsoever including bye product, derivatives, and mixture thereof. b. Special types of ethanol and products, including specifically, gases, effluent gases, power, steam and bio fertilizers.

#### **Clause III(A) 5**

To import & exports of wooden casks, equipment, raw materials, ingredients for maturation of spirits, liquor, food products, beverages in India.

#### **Clause III(A) 6**

To carry on the business as brewers, distillers, bottlers, canners preservers, coopers, dehydrators, maltsters and merchants of and dealers in fruits, herbs, vegetables, plants and liquors by products therefrom, whether intoxicating or not, tonics, vitamin, beverages, flavoured drinks, nectar, punch aerated waters and drinks whether soft or otherwise.

**RESOLVED FURTHER THAT** the heading of clause (III) (B) of the clause III of MOA shall stand altered as "**Matters which are necessary for the furtherance of the objects specified in clause III (A)**" and clause III (C) of the same shall stand deleted."

**"RESOLVED FURTHER THAT** the words Companies Act, 1956 as well as the provisions of the Companies Act, 1956 wherever appearing in the MOA of the Company be and is hereby replaced with the Companies Act, 2013 along with the relevant provisions wherever applicable."

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to take necessary steps to obtain confirmation of the Registrar of Companies, Kanpur under Section 13(9) of the Companies Act, 2013 in respect of the aforesaid alteration of Clause III of the Memorandum of Association and to agree to such modifications, terms & conditions in the new proposed sub clauses as may be directed by the Registrar of Companies and to modify the same accordingly."

**"RESOLVED FURTHER THAT** any of the Directors of the Company or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with



any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**By Order of the Board  
For SHRI GANG INDUSTRIES  
AND ALLIED PRODUCTS LIMITED**

**Date:** 25.08.2023

**Place:** New Delhi

**Sd/-  
Kanishka Jain  
(Company Secretary)  
Membership No. 54347**

## **NOTES:**

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid -19", General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 in relation to "Clarification on holding of annual general meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11, Dated January 15, 2021 Circular dated May 12, 2020, January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/ P/CIR/2023/4 dated January 05, 2023 issued by the Securities and Exchange Board of India ("SEBI Circular") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. In conformity with the applicable regulatory requirements, the Notice of this AGM and the Annual Report and Annual Audited Accounts for the year ended March 31, 2023 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories. Member, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices etc. from the Company electronically. Members may note that the Notice and Annual Report 2022-2023 will also be available on the Company's website [www.shrigangindustries.com](http://www.shrigangindustries.com), website of BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and website of Central Depository Services Ltd ([www.evotingindia.com](http://www.evotingindia.com)).

However, if any specific request received from the members for demanding of the physical copy of the Annual Report will be provided by the company but subject to time taken by the courier and Postal Department.

3. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'):
  - (a) Members will not be able to appoint proxies for the meeting, and;
  - (b) Attendance Slip & Route Map is not being annexed to this Notice.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for reckoning the quorum under Section 103 of the Companies Act, 2013. Members can attend and participate in the Annual General Meeting through VC/OACM only.
5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization

shall be sent to the company by email through its registered email address at [secretarial@shrigangindustries.com](mailto:secretarial@shrigangindustries.com).

6. The Members can join the AGM in the VC/OAVM mode 15 minutes before or after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. However, this number does not include the large Shareholders holding 2% or more share capital, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Secretarial Auditors, Scrutinizers, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. Pursuant to the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the MCA dated 8th April, 2020, 13<sup>th</sup> April, 2020 and 5th May, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has made an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, and independent agency for providing necessary platform for Video Conference/ OAVM and necessary technical support as may be required.

Therefore, the facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by CDSL.

8. The Notice calling the AGM along with complete Annual Report has been uploaded on the website of the Company [www.shrigangindustries.com](http://www.shrigangindustries.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility and providing necessary platform for Video Conference/OAVM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
9. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting is annexed and forms part of the Notice.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc:
  - a. **For shares held in electronic form:** to their Depository Participants (DPs)
  - b. **For shares held in physical form:** to the Company/ Registrar and Transfer Agents (RTA) in prescribed Form Notice. ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023. In the absence of any of the required documents in a folio, on or after October 1, 2023, the folio shall be frozen by the M/s Beetal Financial and Computer Services Private Limited, Registrar and Share Transfer Agent of the Company (RTA). Intimation letters for furnishing the required details are being sent by the Company.

11. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in **dematerialized form only** while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at <https://www.shrigangindustries.com/investor-information.html>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
12. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website <https://www.shrigangindustries.com/investor-information.html>. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.
15. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote during the AGM.
16. Members seeking any information with regard to the financial statements or any matter to be placed at the AGM, are requested to write to the Company on or before September 15, 2023 through e-mail on [secretarial@shrigangindustries.com](mailto:secretarial@shrigangindustries.com). The same will be replied by the Company suitably.
17. Electronic copy of all documents referred to the accompanying Notice of the 34th Annual General Meeting will be available for inspection by members in electronic mode at the Company's website i.e. [www.shrigangindustries.com](http://www.shrigangindustries.com).
18. The relevant details, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment/retire by rotation at this AGM are annexed to the notice as **Annexure-A**.

19. CS Vijay Jain, Practicing Company Secretary having ACS No. 50242 and C.P. No.: 18230 has been appointed as "Scrutinizer" to scrutinize the remote e-Voting in a fair and transparent manner and he has communicated his willingness to be appointed and he himself or his/her authorized representative will be available at the AGM for the same purpose.
20. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-voting and make, within two working days from the conclusion of the AGM, a consolidated Scrutinizer Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
21. The Results declared along with details of the number of votes cast for and against the Resolution, invalid votes for at least three days on the Notice Board of the company at its Registered Office and its Corporate Office. Also, the Scrutinizer's Report shall be placed on the website of the Company at [www.shrigangindustries.com](http://www.shrigangindustries.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of Result by the Chairman or any person authorized by him in writing. The Results shall also be forwarded to the Stock Exchanges where the shares of Company are listed, i.e., BSE Limited.
22. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed at the 34<sup>th</sup> AGM scheduled to be held on September 22, 2023.
23. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date, ie, September 15, 2023. Any person, who acquires shares of the Company and becomes a member after the dispatch of AGM Notice and holds shares as on the Cut-off date, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if the person is already registered with CDSL for e-voting, then his/her existing User Id can be used for casting vote
24. The Company has electronic connectivity with CDSL and NSDL and the ISIN of the Company is INE241V01018 for dematerialization of the company's shares. We hereby request all the members to get their shares dematerialized.

**25. Instructions for Shareholders attending the AGM through VC/OAVM are as under:**

**Instructions for Remote Electronic Voting (E-Voting) prior to the AGM**

In order to increase the efficiency of the voting process and in pursuance of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December, 2020, e-Voting facility is being provided to all the Demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/Depository Participants (DPs). Demat account holders would be able to cast their vote without having to register again with the e-Voting service provider ('ESP') thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Further, Shareholders are advised to update their mobile number and e-mail-id with their DPs in order to access e-Voting facility.

- i. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode with CDSL/NSDL:**

Type of Shareholders	Login Method
<b>Individual shareholders holding securities in Demat mode with CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi /Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and able to directly access the system of all e-Voting Service Providers.</li> </ol>
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> </ol>

- 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “**Login**” which is available under ‘**Shareholder/Member**’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

<b>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk details for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL is as under:

LOGIN TYPE	HELPDESK DETAILS
<b>Individual Shareholders holding securities in Demat mode with CDSL.</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 022-23058542/43.
<b>Individual Shareholders holding securities in Demat mode with NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

**ii. Login method for e-Voting and joining virtual meetings for shareholders other than individuals holding shares in Demat form:**

- i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- ii) Click on “Shareholders” tab.
- iii) Now enter your User ID;
  - a. For CDSL: 16 digits beneficiary ID
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- iv) Next, enter the Image Verification as displayed and Click on Login.
- v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e voting of any company, then your existing password is to be used.
- vi) If you are a first-time user follow the steps given below:

FOR PHYSICAL SHAREHOLDERS AND OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT.	
<b>PAN</b>	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number.
<b>Dividend Bank Details</b>  <b>OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).</li> </ul>

- vii) After entering these details appropriately, click on “SUBMIT” tab.
- viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix) For shareholders holding shares in physical form, the details can be used only for e voting on the resolutions contained in this Notice.
- x) Shareholders holding multiple demat accounts / folios shall choose the voting process separately for each demat account / folio.
- xi) Click on the EVSN **M/s Shri Gang Industries and Allied Products Limited, which is 230829026.**
- xii) On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.



xiv) After selecting the resolution, you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**OK**”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.

xv) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.

xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

xvii) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xviii) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective App Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

xix) **Note for Non – Individual Shareholders and Custodians – For Remote E-Voting only.**

- a. Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- c. After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- d. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- f. Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Company at the email address viz; [secretarial@shrigangindustries.com](mailto:secretarial@shrigangindustries.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at **022- 23058738 and 022-23058542/43**.

All grievances connected with the facility for voting by electronic means may be addressed to **Shri Rakesh Dalvi**, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25 Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East),

Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on **022-23058542/43**.

iii. **Instructions for Shareholders attending the AGM through VC/OAVM & E-Voting during meeting are as under:**

- i. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- ii. The link for VC/OAVM to attend meeting will be available where the EVSN of Company, i.e., **230829026** will be displayed after successful login as per the instructions mentioned above for e-voting.
- iii. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- iv. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
- v. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- vi. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore, recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of previously mentioned glitches.
- vii. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance on or before 15.09.2023 mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@shrigangindustries.com](mailto:secretarial@shrigangindustries.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance on or before 15.09.2023 mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@shrigangindustries.com](mailto:secretarial@shrigangindustries.com). The company will reply to these queries suitably by email.
- viii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- ix. Only those shareholders, who are present in the AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- x. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders participating in the meeting.
- xi. The voting rights of members shall be in proportion to their shares to the paid-up equity share capital of the Company as on the cut-off date i.e. September 15, 2023. Members may

cast their votes separately for each business to be transacted in the Annual General Meeting and may also elect not to vote on any of the resolution(s).

**iv. Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this Notice:**

- i. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company** at [secretarial@shrigangindustries.com](mailto:secretarial@shrigangindustries.com) or **RTA** at [beetalrta@gmail.com](mailto:beetalrta@gmail.com) marking CC to Company.
- ii. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).

Members who need assistance before or during the AGM may contact CDSL on any of the following Helpline Numbers:

NAME OF CONCERNED OFFICIAL	CONTACT NUMBER	EMAIL ID
Shri Rakesh Dalvi, Senior Manager	022-23058542/43 and 23058738	022- helpdesk.evoting@cdslindia.com

**By Order of the Board  
For SHRI GANG INDUSTRIES  
AND ALLIED PRODUCTS LIMITED**

**Date:** 25.08.2023

**Place:** New Delhi

**Sd/-  
Kanishka Jain  
(Company Secretary)  
Membership No. 54347**

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **ITEM NO. 3**

Mr. Arun Kumar Sharma (DIN: 09008061) was appointed as Whole Time Director of the Company for a period of 2 (two) years w.e.f. November 13, 2021. Mr. Arun Kumar Sharma is Masters in Science (Organic Chemistry) by qualification. He has rich experience in various fields. He has more than 28 years of industrial experience and working in diverse industries. Currently he is looking for the Bottling and Distillery Unit of the Company setup at Sandila.

The tenure of Mr. Arun Kumar Sharma as the Whole Time Director of the Company is expiring on November 12, 2023 and considering his experience, the Board in its meeting held on August 25, 2023, at the recommendation of Nomination and Remuneration of the Committee of the Company had considered, approved and recommended to the Shareholders for their approval, the re-appointment and revision in remuneration of Mr. Arun Kumar Sharma, designated as Key Managerial Personnel of the Company for a further term of 2 (two) years effective from November 13, 2023, liable to retire by rotation on the monthly remuneration not exceeding Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand) per month.

The terms of appointment and remuneration given herein above be altered, varied, and modified from time to time by the Board of Directors of the Company, as it may at its discretion deem fit so as not to exceed the limits specified in section 197 read with Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof for the time being in force or any amendments made thereto as may be agreed by the Board of Directors and the concerned Director.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Mr. Arun Kumar Sharma for his re-appointment to the office of Whole Time Director.

Mr. Arun Kumar Sharma satisfy all the conditions specified in sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. Mr. Arun Kumar Sharma has also confirmed that he is not disqualified from being appointed as Director, in terms of the provisions of the Act and is not debarred to hold the office of a Director by virtue of any order passed by SEBI or any other authority and has given his consent to act as a Director of the Company.

In compliance with the provisions of Sections 152, 179, 196, 197, 198, 203 read with rules framed thereunder and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act, the terms of appointment and remuneration as set out in Item No. 3 are now being placed before the members for their approval by way of Ordinary Resolution.

A brief profile of Mr. Sharma, including nature of his expertise, is provided as an additional information required to be furnished pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on general meetings, forming part of the Notice calling AGM as **Annexure-A**.

Except Mr. Arun Kumar Sharma, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice calling AGM.

Necessary documents in this regard are available for inspection by the Members in electronic mode under Investor Relations link of Company's Website [www.shrigangindustries.com](http://www.shrigangindustries.com).

#### **ITEM NO. 4**

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Article 96 of the Articles of Association of the Company, the Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Vyom Goel (DIN: 10063284) as an Additional Director under the category Non-Executive Professional Director, with effect from June 23, 2023, liable to retire by rotation.

In terms of Section 161(1) of the Act, Mr. Vyom Goel holds the office of Additional Director only upto the date of this Annual General Meeting of the Company, and is eligible for appointment as a Director. The Company has received a notice in writing from a Member, in terms of Section 160(1) of the Act, proposing his candidature for the office of Director.

Mr. Vyom Goel has also confirmed that he is not disqualified from being appointed as Director, in terms of the provisions of Section 164(1), 164(2) of the Act and is not debarred to hold the office of a Director by virtue of any order passed by SEBI or any other authority and has given his consent to act as a Director of the Company.

A brief profile of Mr. Vyom Goel, including nature of his expertise, is provided as an additional information required to be furnished pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on general meetings, forming part of the Notice calling AGM as **Annexure-A**.

Except Mr. Vyom Goel, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice calling AGM.

The Board recommends the proposed Resolution set out in Item No. 4 for the approval of members of the Company as an Ordinary Resolution.

Necessary documents in this regard are available for inspection by the Members in electronic mode under Investor Relations link of Company's Website [www.shrigangindustries.com](http://www.shrigangindustries.com).

#### **Item No. 5**

Regulation 23 of the SEBI Listing Regulations, inter alia, states that effective from April 1, 2022, all Material Related Party Transactions ('RPT') shall require prior approval of the shareholders by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds 1,000 crore or 10% of the annual consolidated turnover of a listed entity as per the last audited financial statements of the listed entity, whichever is lower. Also, the scope of definitions of 'Related Party' and 'Related Party Transaction' as provided under Regulations 2(1)(zb) and 2(1)(zc) of the LODR Regulations respectively has been considerably widened.

Shri Gang Industries and Allied Products Limited ("SGIAPL or the Company") is manufacturing Extra Neutral Alcohol ("ENA") in its Unit situated at Sandila, Hardoi. ENA is a raw material used

in the manufacturing of Alcohol. Therefore, the Company intends to sell it to M/s Vindeshwari Exim Private Limited (“VEPL”), being the entity falling within the definition of ‘Related Party’ under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI LODR.

The Management has provided the Audit Committee with relevant details of the proposed RPTs in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the below mentioned RPT(s). The Audit Committee has noted that the said transaction(s) will be at an arm’s length pricing basis and will be in the ordinary course of business.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 5 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Details of the proposed RPTs between the Company and the Related Party, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

S. NO	DESCRIPTION	DETAILS OF PROPOSED RPTS BETWEEN THE COMPANY AND THE RELATED PARTY
		NAME OF RELATED PARTY
		M/S VINDESHWARI EXIM PRIVATE LIMITED (“VEPL”)
a	Type, material terms, monetary value and particulars of the proposed RPTs.	Sale of Extra Neutral Alcohol (ENA) during the FY 2023-24 upto an amount of Rs. 30 Crores on arm’s length basis and in ordinary course of business.
b.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	M/s Vindeshwari Exim Private Limited, which is promoted by Mr. Varun Gupta who is relative of the Promoters of the Company.
c.	Tenure of the proposed transaction (particular tenure shall be specified)	For the FY 2023-24
d.	Value of the proposed transaction	Sale upto Rs. 30 Crores during the FY 2023-24
e.	The percentage of the listed entity’s annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary’s annual turnover	21.63 % of the Company’s Annual Turnover (for the FY 2022-2023)

	on a standalone basis shall be additionally provided).	
f.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary.	
i.	Details of the source of funds in connection with the proposed transaction.	Not Applicable
ii.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments:	Not Applicable
iii.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	Not Applicable
iv.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not Applicable
g.	Justification for the proposed RPTs	SGIAPL is into the business of manufacturing of ENA in its Distillery unit in Sandila, Hardoi. The Company will be selling ENA to VEPL in the ordinary Course of Business and on arm's length basis.
h.	A copy of the valuation or other external party report, if any such report has been relied upon	Not Applicable
i.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	Not Applicable
j.	Any other information that may be relevant	All the relevant information has been disclosed hereinabove forming part of Explanatory Statement to Item No. 5

The above transactions are being carried out in ordinary course of business of the Company at arm's length basis.

None of the Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 5 of the Notice.

Accordingly, based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 5 of the Notice for approval by the Members by way of Ordinary Resolution.

Necessary documents in this regard are available for inspection by the Members in electronic mode under Investor Relations link of Company's Website [www.shrigangindustries.com](http://www.shrigangindustries.com).

#### **ITEM NO. 6**

The Company was into the business of Manufacturing and Trading in Vanaspati, Refined Oils and Edible Oils since its inception. To expand the business activity of the company, the Company entered into the business of distillers and liquor manufacturers. This activity is included in the Clause III (C) of the Object Clause of the MOA of the Company. To pursue this activity, the Company has already taken the approval of members in their AGM held in the year 2010 in accordance with the provisions of Section 149(2A) of the erstwhile Companies Act, 1956.

The Companies Act, 2013, has prescribed a new format of Memorandum MOA for companies limited by shares. Accordingly, with a view to align the existing MOA of the Company with Table A of the Schedule I of the Act and in accordance with Section 4 and 13 of the Act, it is proposed to alter the MOA of the Company and adopt new set of MOA.

Further, the proposed alteration in clause III (B) and III (C) are required to make the Memorandum of Association in line with the new provisions of the Companies Act, 2013.

The proposed change in Clause III of the Memorandum of Association would be subject to the necessary approvals in terms of Section 13 of the Companies Act, 2013, would require consent of the members by way of passing of Special Resolution, hence the proposed Special Resolution at item no.6 of the notice is proposed for consideration and approval of the members of the Company.

None of the Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 6 of the Notice.

Necessary documents in this regard are available for inspection by the Members in electronic mode under Investor Relations link of Company's Website [www.shrigangindustries.com](http://www.shrigangindustries.com).

**By Order of the Board  
For SHRI GANG INDUSTRIES  
AND ALLIED PRODUCTS LIMITED**

**Date:** 25.08.2023

**Place:** New Delhi

**Sd/-  
Kanishka Jain  
(Company Secretary)  
Membership No. 54347**



“Annexure A”

**Details of Directors seeking Appointment/Re-Appointment at the Annual General Meeting of the Company (Pursuant to Reg. 36 of the Listing Regulations and Secretarial Standards- 2 on General Meetings)**

S. NO.	PARTICULARS	NAME OF DIRECTOR	NAME OF DIRECTOR	NAME OF DIRECTOR
		<b>Mr. Arun Kumar Sharma (DIN: 09008061)</b>	<b>Mr. Sanjay Kumar Jain (DIN: 01014176)</b>	<b>Mr. Vyom Goel* (DIN: 10063284)</b>
1.	<b>Designation</b>	Executive Director	Non-Executive Non-Independent Director	Non-Executive Non-Independent Director
2.	<b>Date of Birth</b>	03-10-1963	27-10-1966	14/08/1990
3.	<b>Age</b>	60 Years	57 Years	33 years
4.	<b>Date of first Appointment on the Board</b>	13-11-2021	03-03-2022	23-06-2023
5.	<b>Qualifications</b>	Masters in Science (Organic Chemistry)	<ul style="list-style-type: none"> <li>➤ Graduated in Commerce from University of Delhi</li> <li>➤ Chartered Accountant</li> </ul>	<ul style="list-style-type: none"> <li>➤ MBA (Finance)</li> <li>➤ B-Tech (IT)</li> </ul>
6.	<b>Experience in specific functional area</b>	Mr. Arun Kumar Sharma has rich experience in various fields. He has more than 28 years of industrial experience and working in liquor industries.	<p>Mr. Sanjay Kumar Jain holds SEBI accreditations as a Registered Investment Advisor and Registered Research Analyst. He has about 31 years of work experience in Investments, Funds Management, Strategy, M&amp;A, Corporate Finance and Investor Relations.</p> <p>For the last 15 years, he has worked as an independent consultant working with Promoters/ Senior Management of different companies. He had also co-founded an advisory business in M/s Taj Capital Partners Pvt Ltd. and participated in events of Global Investors, Government and Policy makers</p>	Mr. Vyom Goel has worked as a Senior Associate and Consultant in firms like JP Morgan and EURONEXT. Currently he is involved in the family business and handling operations.
7.	<b>No. of equity shares held in the Company</b>	NIL	NIL	Not Applicable

<b>(as on 31<sup>st</sup> March, 2023) including the shareholding as Beneficial Owner</b>			
<b>8. List of other Directorships as on 31<sup>st</sup> March 2023</b>	<ul style="list-style-type: none"> <li>• Carya Chemicals &amp; Fertilizers Private Limited</li> <li>• Anita Greenfuels Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>➤ Suraj Industries Limited</li> <li>➤ Tinna Rubber And Infrastructure Limited</li> <li>➤ J. K. Cotton Limited</li> <li>➤ Manphul Trading And Finance Company Private Limited</li> <li>➤ Dwarkadhish Finance And Investment Company Private Limited</li> <li>➤ PGA Securities Private Limited</li> <li>➤ B.G.K. Infrastructure Developers Private Limited</li> <li>➤ Taj Capital Partners Private Limited</li> <li>➤ Diensten Tech Limited</li> <li>➤ Express Infra Financial Consultancy Private Limited</li> <li>➤ J K Consultancy And Services Private Limited</li> <li>➤ Sarth Agbev and Energy Private Limited</li> </ul>	➤ NIL
<b>9. Membership/ Chairmanship of Committees of the other Companies as on 31<sup>st</sup> March 2023</b>	NIL	<b><u>Tinna Rubber And Infrastructure Limited</u></b>	NIL
		<ul style="list-style-type: none"> <li>• Audit Committee- Chairperson</li> <li>• Stakeholders and Relationship Committee- Member</li> <li>• Nomination and Remuneration Committee- Chairperson</li> </ul>	
<b>10. Listed Entities from which he/she has resigned as Director in</b>	NIL	NIL	NIL

<b>past 3 years</b>			
<b>11. Relationships , between Directors inter se with other directors, Manager &amp; other KMP's</b>	There is no inter-se relationship among the Directors	There is no inter-se relationship among the Directors	There is no inter-se relationship among the Directors
<b>12. Number of Board Meetings attended during the year</b>	5 (Five)	5 (Five)	Not Applicable
<b>13. Terms &amp; Conditions for appointment/e-appointment</b>	Terms & Conditions of appointment are as per the Nomination and Remuneration Policy of the Company	Terms & Conditions of appointment are as per the Nomination and Remuneration Policy of the Company	Terms & Conditions of appointment are as per the Nomination and Remuneration Policy of the Company
<b>14. Details of Remuneration Last Drawn</b>	His last drawn monthly salary was Rs. 1,85,000/- as per his terms of appointment.	He has not drawn any remuneration in financial year 2022-2023.	Not Applicable
<b>15. Details of Remuneration Sought to be paid</b>	Remuneration is decided by Board of Directors on the recommendation of Nomination and Remuneration Committee which is as per the Nomination and Remuneration Policy of the Company	No remuneration is sought to be paid.	No remuneration is sought to be paid.

**\*Mr. Vyom Goel was appointed w.e.f. 23-06-2023. He was appointed after the closure of Financial Year 2022-2023.**

**By Order of the Board  
For Shri Gang Industries and Allied Products Limited**

**Date:** 25.08.2023

**Place:** New Delhi

**Sd/-  
Kanishka Jain  
(Company Secretary)  
Membership No. 54347**

## **DIRECTORS' REPORT**

To,  
The Members,  
**SHRI GANG INDUSTRIES AND ALLIED PRODUCTS LIMITED**

Your Directors hereby present the Thirty Fourth (34<sup>th</sup>) Annual Report on Company's Business Operations along with the Audited Statement of Accounts for the year ended on March 31, 2023.

### **FINANCIAL PERFORMANCE OF THE COMPANY**

The financial performance of the Company for the period under review and comparative figures for the previous year are tabulated below:

*(Rs. In Lakh)*

<b>Particulars</b>	<b>2022-2023</b>	<b>2021-2022</b>
Income from Operations	13,868.17	8,021.37
Other Incomes	57.03	132.67
<b>Total Revenue (A)</b>	<b>13,925.20</b>	<b>8,154.04</b>
Expenses	12,618.21	7,453.13
Depreciation and Amortisation Expense	346.58	163.95
<b>Total Expenses (B)</b>	<b>12,964.79</b>	<b>7,617.08</b>
<b>Profit (Loss) before tax (A-B) (C)</b>	<b>960.041</b>	<b>536.96</b>
<b><u>Provision for Taxation</u></b>		
Current Tax	-	-
Deferred Tax Charge/ (Credit)	(355.58)	65.44
<b>Total Tax Expenses (D)</b>	<b>(355.58)</b>	<b>65.44</b>
<b>Profit (Loss) After Tax (C-D) (E)</b>		
<b><u>Other Comprehensive Income</u></b>		
- Items that will not be reclassified to profit or loss	(0.55)	1.88
- Tax on above	(0.14)	0.47
<b>Net Profit/(Loss) after tax for the year</b>	<b>1,315.30</b>	<b>473.87</b>
<b>Earnings per share (Basic and Diluted)</b>	<b>8.65</b>	<b>5.95</b>

The Financial Statements have been prepared on accrual basis in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the provisions of the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees ("INR") and all amounts are rounded to the nearest Lakhs, except as stated otherwise.

### **SHARE CAPITAL**

During the year under review, the Authorised Share Capital of the Company has increased from Rs. 8,50,00,000/- (Rupees Eight Crore Fifty Lakh) divided into 85,00,000 Equity Shares of Rs. 10/- (Rupees Ten) each to Rs.18,50,00,000/- (Rupees Eighteen Crore and Fifty Lakh Only) divided into 1,85,00,000 Equity Shares of Rs. 10/-(Rupees Ten) each and was further increased to Rs. 30,00,00,000/- (Rupees Thirty Crore) divided into 3,00,00,000 Equity Shares of Rs. 10/-

(Rupees Ten) each and as on March 31, 2023, it stood at Rs. 30,00,00,000/- (Rupees Thirty Crore) divided into 3,00,00,000 Equity Shares of Rs. 10/- (Rupees Ten) each.

Consequent to the approval of members in their Extra Ordinary General Meeting held on June 27, 2022, the Preferential Issue Committee of the Board of Directors in its meeting held on July 09, 2022, allotted 1,00,00,000 Equity Shares of Rs. 10/- each to the persons belonging to the Promoter & Promoter Group and Non-Promoter Category, aggregating to Rs. 10,00,00,000/- on preferential basis in accordance with the provisions of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Consequent to the issuance & allotment of shares, the Issued, Subscribed and Paid-up Share Capital increased and as on March 31, 2023, it stood at Rs. 17,93,00,000/- (Rupees Seventeen Crore Ninety-Three Lakh) divided into 1,79,30,000 (One Crore Seventy-Nine Lakh Thirty Thousand) Equity Shares of Rs. 10/- each.

The Company has no other type of securities except Equity Shares forming part of the Paid-up Share Capital of the company.

### **PERFORMANCE OF BUSINESS**

During the year ended, the revenue earned was Rs. 13,868.17 Lakh as compared to Rs. 8,021.37 Lakh, a significant increase by 72.89 percent. Net Profit after Tax was Rs. 1,315.30 Lakh as compared to the profit of Rs. 560.67 lakhs earned in previous financial year.

During the year there was a significant improvement in the financial performance of the company, as the Distillery Unit of the Company commenced its commercial operations in September 2022.

### **STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK**

The financial position of the company is gradually improving after the commencement of the commercial operations of the distillery Unit.

The company is bottling IMFL for M/s United Spirits Limited. The company has also already entered into a long term agreement with M/s United Spirits Ltd for the supply of Extra Neutral Alcohol (ENA) that is being produced in the Distillery.

A detailed review of operations and performance and future outlook of the Company is given separately under the head '**Management Discussion & Analysis**' pursuant to Regulation 34 read with Part B of Schedule V of SEBI Listing Regulations, and the same is annexed as **Annexure B** and forms part of this Annual Report.

### **DIVIDEND**

Although there has been a turnaround in Company's performance and business operations, your Directors are unable to recommend any dividend for the year under review, as the company has accumulated losses.

### **AMOUNTS TRANSFERRED TO RESERVES**

The Company is not statutorily required to transfer any amounts to the Reserves during the year under review.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board of Directors comprise of eminent and experienced professionals in the Industry. The current composition of the Board of Directors (as on the date of Boards' Report) are as follows:

<b>SR. NO.</b>	<b>NAME OF DIRECTOR</b>	<b>DESIGNATION</b>
1.	ARUN KUMAR SHARMA	Whole Time Director
2.	*SYED AZIZUR RAHMAN	Non-Executive Director
4.	SANJAY KUMAR JAIN	Non-Executive Director
4.	SEEMA SHARMA	Non-Executive Independent director
5.	*VISHAL SINGH	Non-Executive Independent director
6.	**VYOM GOEL	Non-Executive Director

\* Appointed w.e.f. June 14, 2022

\*\*Appointed w.e.f. June 23, 2023

### ***CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS***

The following changes occurred during FY 2022-2023 till the date of this Report:

- i. The category of Mr. Sanjay Kumar Jain has been changed from Non-Executive Independent Director to Non-executive Non Independent Director w.e.f May 30, 2022.
- ii. Mrs. Anita Gupta, relinquished the office of Director of the Company w.e.f. June 14, 2022.
- iii. On September 30, 2022, the members approved the appointment of:
  - Mr. Arun Kumar Sharma (DIN: 09008061) as Whole-time Director of the Company for a period of 2 (two) years w.e.f. November 13, 2021.
  - Mr. Sanjay Kumar Jain (DIN: 01014176) as Non-Executive Non-Independent Director of the Company w.e.f. March 03, 2023.
  - Mr. Syed Azizur Rahman (DIN: 00242790) as Non-Executive Director of the Company w.e.f. June 14, 2022 who was appointed by Board u/s 161(1).
  - Mr. Vishal Singh (DIN: 07500944) as Non-Executive Independent Director of the Company for a period of 5 (Five) years w.e.f. June 14, 2022 who was appointed by Board u/s 161(1) of the Companies Act, 2013.
- iv. The Board appointed Mr. Vyom Goel (DIN: 10063284) as Additional Non-Executive Non-Independent Director of the Company w.e.f. June 23, 2023 whose appointment as Director under section 152(6) of the Companies Act, 2013 is subject to approval of the members at the ensuing Annual General Meeting ("AGM").

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, executive directors and non-executive directors except the Independent Directors are subject to retire by rotation. Based on the terms of appointment and the Articles of Association of your Company, Mr. Sanjay Kumar Jain (DIN: 01014176) who is the longest serving member in the current term and is liable to retire by rotation and he being eligible offers himself for reappointment.

Appropriate resolution(s) for appointment/re-appointment is being placed for your approval at the ensuing Annual General Meeting.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than reimbursement of expenses, if any.

None of the aforesaid Directors are disqualified under Section 164(2) of the Companies Act, 2013. Further, they are not debarred from holding the office of Director pursuant to order of SEBI or any other authority.

#### **KEY MANAGERIAL PERSONNEL**

In accordance with Section 203 of the Companies Act, 2013, the Company has following Key Managerial Personnel at the end of the financial year:

<b>SR. NO.</b>	<b>NAME OF KEY MANAGERIAL PERSONNEL</b>	<b>DESIGNATION</b>
1.	Mr. Arun Kumar Sharma	Whole Time Director
2.	Mr. Anil Kumar Gupta	Chief Financial Officer
3.	Ms. Kanishka Jain	Company Secretary

#### **CORPORATE SOCIAL RESPONSIBILITY**

The Provisions of Section 135 of the Companies Act, 2013 became applicable on the Company during the year under review. As per Section 135 of Companies Act, 2013, company is required to spend the average of 2% of the Net Profit earned in the previous Three (3) Financial Years towards the Corporate Social Responsibility ("CSR") activities as per the provisions of Schedule VII of the Companies Act, 2013.

However, the Company had incurred losses in the two previous Financial Years (2019-2020 & 2020-2021) preceding the immediate previous Financial Year 2021-2022, due to which the Company was not required to do any spending towards the CSR activity (ies).

Therefore, Company was not required to constitute Corporate Social Responsibility Committee pursuant to the provisions of section 135 of the Companies Act, 2013.

Pursuant to the applicability of provisions of CSR, the Company has adopted CSR Policy of the company giving the glimpses of company's philosophy on CSR. The policy can be accessed at <https://www.shriqanqindustries.com/policy.html>.

#### **DETAILS OF SUBSIDIARIES/ JOINT VENTURE AND ASSOCIATE COMPANY**

The Company has no subsidiary/ Joint Venture and Associate Company during the year under review.

However, during the year, M/s Suraj Industries Limited ("SIL") has acquired 20.08% of the Paid-up Share capital of the Company and accordingly, the company became the Associates Company of SIL.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

In terms of Section 134 (5) of the Companies Act, 2013, the Board of Directors to the best of its knowledge and ability state that:

- i. That in the preparation of the Annual Accounts for the financial year ended March 31, 2023, the applicable Accounting standards have been followed and that there are no material departures;
- ii. That Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the year ended March 31, 2023;
- iii. That Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. That accounts for the year ended March 31, 2023 have been prepared following the going concern basis;
- v. That Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi. That Directors had devised proper system to ensure compliance with the provisions of all the applicable laws and that such system were adequate and operating effectively.

#### **MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments affecting the financial Position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report except the following:

- ❖ The Company has received approval from BSE Limited vide their letter dated May 31, 2023, for reclassification of M/s Mother Mira Industries Limited from Promoter & Promoter Group to Public category.

#### **STATUTORY AUDITOR AND THEIR REPORT**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules framed thereunder, M/s. Pawan Shubham & Co., Chartered Accountants, having FRN.: 011573C, were appointed as the Statutory Auditors of the Company at the Thirty-Third (33<sup>rd</sup>) Annual General Meeting of the Company held on September 30, 2022 for a period 5 years from the conclusion of the ensuing 33<sup>rd</sup> Annual General Meeting till the conclusion of 38<sup>th</sup> Annual General meeting of the Company at such remuneration as may be fixed by the Board of Directors of the Company.

The Notes on financial statement referred to in the Auditors' Report for the Year ended March 31, 2023 are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the Financial Statements in this Annual Report.

During the year under review, there have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of Companies Act, 2013 read with rules framed thereunder, either to the Company or to the Central Government.



## **SECRETARIAL AUDITORS AND THEIR REPORT**

In accordance with the provisions of Section 204 and Section 134(3) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligation and Disclosure) Requirements, 2015, the Board had appointed M/s Monika Kohli & Associates, Company Secretaries, as Secretarial Auditor of the Company to undertake the Secretarial Audit functions of the Company.

The Secretarial Audit Report in the prescribed form MR-3 for the financial year ended on March 31, 2023 forms part of the Annual Report. The same is annexed as **Annexure “A”**.

The Secretarial Auditor had pointed out two remarks in its report, which are replied by the Board of Directors hereunder:

### **Secretarial Auditor’s Remark-1**

*It is observed that the promoter’s holding of equity shares in the company is not completely in dematerialized form as required under Regulation 31(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).*

### **Board’s Reply**

The Company had made request to all the shareholders including Promoter and Promoter Group through notice of last Annual General Meeting asking to dematerialize their shares. Similar request to all shareholders including Promoter and Promoter Group is being made in the notice of ensuing Annual General Meeting which is being sent to all the shareholders. As on March 31, 2023, the promoter’s Shareholding upto the extent of 91.27 % has already been dematerialized. However, as on the date of this Report, Promoter’s Shareholding to the extent of 94.55 % is in Dematerialized form. The Management has been following up with the rest of the Promoter and Promoter Group to get their shares dematerialized to make the Company compliant as per SEBI (LODR), Regulations, 2015.

### **Secretarial Auditor’s Remark-2**

*The company don’t have the Fire NOC and the requisite permissions from the State Pollution Control Board for its manufacturing unit located at Sikandrabad, Uttar Pradesh. However, as informed and confirmed by the management during the year under review, no manufacturing activities are carried out at above mentioned unit.*

### **Board’s Reply**

During the year under review no manufacturing operations were carried out at the Sikandrabad unit. However, the Company will obtain the Fire NOC and requisite permissions from the State Pollution Control Board once the manufacturing activity will be resumed.

## **INTERNAL AUDITOR**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with relevant applicable rules your company was required to appoint an Internal Auditor. Further the Board of Directors has appointed M/s Mohan Gupta & Co., Chartered Accountants as Internal Auditor of the Company.

## **ANNUAL RETURN**

In accordance with the provisions of section 134(3)(a) and 92(3) of Companies Act, 2013 read with rules framed thereunder, the Annual Return for the Financial Year 2022-2023 will be

available on the website, once filed with the Ministry of Corporate Affairs after the ensuing Annual General Meeting and can be accessed through the link (<https://www.shrigangindustries.com>).

### **DISCLOSURE ABOUT MAINTENANCE OF COST RECORDS**

The company has maintained the requisite cost records and accounts as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in all material respects an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023. The Company has in place robust internal control procedures commensurate with its size and operations.

### **NUMBER OF BOARD MEETINGS AND ATTENDANCE BY EACH DIRECTOR**

During the financial year 2022-2023, the Board of Directors' has met five (5) times on 30-05-2022, 13-08-2022, 03-09-2022, 19-10-2022 and 10-02-2023. The periodicity between two Board Meetings was within the maximum time gap as prescribed in the Listing Regulations / Companies Act, 2013. The details of meetings of the Board along with the attendance of Directors are provided in the Corporate Governance Report, which forms part of this Annual report.

### **CODE OF CONDUCT**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all Employees in the course of day to day business operations of the Company.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated Employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with Stakeholders.

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated Employees of the Company. The Code requires pre-clearance for dealing in the Company's Shares and prohibits the purchase or sale of Company Shares by the Directors and the designated Employees while in possession of Unpublished Price Sensitive Information in relation to the Company and during the period when the trading window is closed. The Board is responsible for implementation of the Code.

The Board Members have affirmed compliance with the Code of Conduct for the year ended March 31, 2023. The code of conduct is available on our website (<https://www.shrigangindustries.com/investor-relations.html>).

### **PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandated under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for prevention of sexual

harassment at work place and the Company has also Constituted the Internal Complaint Committee in compliance with the requirement of the Act.

During the year under review, the company has not received any complaint of sexual harassment.

#### **DECLARATION BY INDEPENDENT DIRECTOR(S)**

The Company has received necessary declaration form each Independent Director under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 146(6) of Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and qualify to act as Independent Director of the Company. In the opinion of the Board, the Independent Directors fulfil the criteria of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI LODR. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics laid down for the Board of Directors, Senior Management Personnel and other Employees.

#### **STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE OF INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR**

The Board is of the opinion that all the independent directors appointed are having good integrity and possess the requisite expertise and experience (including the proficiency). Independent Directors have confirmed that they are not aware of any circumstances or situation which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the independent directors, the Board has confirmed that they meet the criteria of independence and that they are independent of the management.

#### **COMMITTEES OF THE BOARD**

Pursuant to the requirements of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted the following Committees:

1. Audit Committee;
2. Nomination & Remuneration Committee;
3. Stakeholders Relationship Committee; and
4. Independent Directors Committee.

The details pertaining to the composition of all the Committees along with their charter and meetings held during the year, are provided in the Corporate Governance Report, which forms part of the Annual report.

#### **NOMINATION & REMUNERATION POLICY**

The Company has a Remuneration Policy in place encompassing the appointment and remuneration philosophy of the Company. The Policy comprises of the various elements and terms of appointment. The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board and separate its functions of governance and management.

The Company has framed a Nomination and Remuneration Policy pursuant to the provisions of Section 178 of the Companies Act, 2013. The details of policy are mentioned in Corporate Governance Report.

The policy was updated during the year under review. The policy is available on our company's website (<https://www.shrigangindustries.com/policy.html>).

### **MEETING OF INDEPENDENT DIRECTORS**

In terms of requirements under Schedule IV of the Companies Act, 2013, A separate meeting of the Independent Directors was held on March 20, 2023 in accordance with the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of SEBI LODR.

The Independent Directors at the meeting reviewed the following:

- Performance of non-independent Directors and the Board as a whole.
- Assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

### **PARTICULARS OF LOAN(S), GUARANTEE(S) OR INVESTMENT(S) UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

During the year under review the Company has neither made any investment(s) nor given any loan(s) or guarantee(s) or provided any security which is covered under the provisions of Section 186 of the Companies Act, 2013.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENT MADE WITH RELATED PARTIES**

During the year, the Company has entered into contract, arrangement and transactions with related parties which were in the ordinary course of business and on arm's length basis and none of the contract, arrangement and transactions could be considered material as covered under Section 188 (1) of the Companies Act, 2013. Accordingly, the disclosure of Related Party Transactions in **Form AOC-2** is not applicable and hence does not form part of this report.

Pursuant to Regulation 23 of SEBI LODR, the resolution seeking approval of the shareholders on material related party transactions is being placed before the shareholders at the forthcoming AGM.

### **DEPOSITS**

During the year, the company has neither accepted nor renewed any deposits from public falling within the ambit of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

#### **CONSERVATION OF ENERGY**

<b>The Steps taken or impact on conservation or energy</b>	The Company has commissioned Distillery unit during the year which is designed and equipped with energy conservation equipment and technology and the Company shall give highest priority to the conservation of energy on ongoing basis in coming years by improving the energy efficiency based on latest technology.
<b>The steps taken by the company for utilizing alternate sources of energy</b>	
<b>The capital investment on energy conservation equipment's</b>	

#### **TECHNOLOGY ABSORPTION**

<b>The efforts made towards technology absorption</b>	The Company has commissioned Distillery unit during the year which is designed and equipped with energy conservation equipment and technology and the Company shall give highest priority to the conservation of energy on ongoing basis in coming years by improving the energy efficiency based on latest technology.
<b>The benefits derived like product improvement, cost reduction, product development or import substitution</b>	

**In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-**

- |   |   |
|---|---|
| a. The details of technology been fully absorbed  | - |
| b. The year of import   | - |
| c. Whether the technology been full absorbed  | - |
| d. If not fully absorbed, areas where absorption has not taken place, and the reason thereof. | - |

**The expenditure incurred on Research and Development** -

#### **FOREIGN EXCHANGE EARNINGS AND OUTGO**

**There was no Foreign Exchange Earnings and outgo during the year under review.**

#### **RISK MANAGEMENT**

A key factor in determining a company's capacity to create sustainable value is the risks that the company is willing to take at strategic and operational levels and its ability to manage them effectively. Many risks exist in a company's operating environment and they emerge on a regular basis. The Company's Risk Management processes focuses on ensuring that these risks are identified on a timely basis and addressed.

The company has in place risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor non-business risks. The Company through

Board and Audit Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. Risk Management forms an integral part of the Company's planning process.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

## **CORPORATE GOVERNANCE**

As per the provisions of Regulation 15(2) of SEBI (LODR) Regulations, 2015, the listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year shall not be required to comply with the Corporate Governance provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V. Accordingly, the Corporate Governance provisions as envisaged above, were not applicable on the Company at the beginning of the year.

However, pursuant to increase in Paid up share capital of the Company during the year under review, Corporate Governance provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V have become applicable to the Company w.e.f. July 09, 2022 and since then the Company is complying with the regulations and is committed to maintain the standards of Corporate Governance.

Your Company continues to be compliant with the requirements of Corporate Governance as enshrined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'). A Report on Corporate Governance along as stipulated under the Listing Regulations forms part of the Annual Report as **Annexure- C**. A certificate from the Practising Company Secretary, confirming compliance with the conditions of Corporate Governance, as stipulated in the SEBI LODR forms part of this Report.

## **PERFORMANCE EVALUATION AND FAMILIARIZATION PROGRAMME**

The Companies Act, 2013 read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, provides that the Board needs to undertake a formal Annual Evaluation of its own performance and that of its Committees and individual Directors. The Schedule IV of the Companies Act, 2013 read with the Rules issued there understates that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The Board has carried out the annual evaluation of its own performance, performance of the Directors individually as well as the performance of the working of its Audit, Nomination & Remuneration and other Committees of the Board. The evaluation was carried out taking into consideration various aspects of the Board's functioning, such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance, etc.

The Directors expressed their satisfaction with the evaluation process.

The details of programme for familiarization of Independent Directors of your Company is available on your Company's website <https://www.shrigangindustries.com/investor-relations.html>.

### **THE CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There is no change in the nature of business of the Company during the financial year 2022-2023.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

In accordance with the Section 177(9) & (10) of the Companies Act, 2013 and rules framed there under, the Board has established the Vigil Mechanism/Whistle Blower Policy, a mechanism for all Directors and employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Policy act as a neutral and unbiased form to voice concerns in a reasonable and effective manner without fear of reprisal. The policy is disclosed on Company's website (Web Link: <https://www.shrigangindustries.com/policy.html>).

During the year under review no personnel has been denied access to the audit committee.

### **DEPOSITORY SYSTEMS**

Your Company has established connectivity with both depositories – National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the depository system, members holding Shares in physical mode are requested to avail of the dematerialization facility with either of the depositories.

Your Company has appointed M/s. BEETAL Financial & Services Private Limited, a Category-I SEBI registered R&T Agent as its Registrar and Share Transfer Agent across physical and electronic alternative.

### **LISTING OF SHARES**

The Company's shares are listed on the below mentioned Stock Exchange: -

#### **BSE Limited (BSE)**

Phiroze Jeejeebhoy Towers,  
25th Floor, Dalal Street, Mumbai – 400 001

### **BORROWINGS FROM DIRECTORS**

Pursuant to Rule 2(1)(c) of Companies (Acceptance of Deposits) Rules, 2014, it is stated that during the year under review, the Company has taken loan from Directors of the Company the details of which are given in Notes to the Financial Statements for the Financial Year ending March 31, 2023. The declarations in writing to the effect that the amount is not being given out of funds acquired by them by borrowing or accepting loans or deposits from others has also been received by the Company from the concerned Directors.

## **PARTICULARS OF MANAGERIAL REMUNERATION AND EMPLOYEES**

### **1. Disclosure in terms of Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: -**

- i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year:

<b>SR. NO.</b>	<b>NAME OF DIRECTOR</b>	<b>RATIO TO MEDIAN REMUNERATION</b>	<b>% INCREASE IN REMUNERATION IN THE FINANCIAL YEAR</b>
<b>1.</b>	<b>Executive Directors</b>		
<b>a.</b>	Mr. Arun Kumar Sharma	5.73:1	23.33%
<b>2.</b>	<b>Non-Executive Directors</b>		
<b>a.</b>	Mr. Syed Azizur Rahman <sup>1</sup>	--	--
<b>b.</b>	Mrs. Anita Gupta <sup>2</sup>	--	--
<b>c.</b>	Mrs. Seema Sharma	--	--
<b>d.</b>	Mr. Vishal Singh <sup>3</sup>	--	--
<b>e.</b>	Mr. Sanjay Kumar Jain	--	--
<b>3.</b>	<b>Chief Financial Officer</b>		
	Mr. Anil Kumar Gupta	--	5.89%
<b>4.</b>	<b>Company Secretary</b>		
<b>a.</b>	Ms. Kanishka Jain	--	--

<sup>1</sup>Appointed as Director w.e.f. June 14, 2022.

<sup>2</sup>Relinquished the office of Director w.e.f. June 14, 2022.

<sup>3</sup>Appointed as Independent Director w.e.f. June 14, 2022.

- ii. The percentage increase in remuneration in the median remuneration of employee in the financial year: (-) 9.48%

The figure is negative due to the reason the number of employees increased from 47 as on 31.03.2022 to 159 as on 31.03.2023. The pay scales of the new employees are based on their experience and qualifications.

- iii. The number of permanent employees on the rolls of the Company at the end of the Financial Year: 159.
- iv. Average Percentile Increase already made in the Salaries of Employees other than the Managerial Personnel in the last Financial Year and its Comparison with the Percentile Increase in the Managerial Remuneration:

Percentage increase in the managerial remuneration for the year: **16.75%**



Percentage increase in salaries of Employees other than the Managerial Personnel: -9.48%

There was percentile decrease in the Salaries of Employees other than the Managerial Personnel due to increase in number of employees with lower salary base commensurating with their qualification and experience.

v. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

## **2. Disclosure in terms of Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: -**

There was no employee who has drawn salary as mentioned in the aforesaid rule.

Further, the report and the accounts are being sent to the Members. In terms of Section 136 of the Act, all the documents are open for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary.

### **INDUSTRIAL RELATIONS**

The Industrial Relations have continued to be stable and harmonious during the course of the year.

### **DEVIATION(S) OR VARIATION(S) IN THE USE OF PROCEEDS OF PREFERENTIAL ISSUE, IF ANY**

There were no instances of deviation(s) or variation(s) in the utilization of proceeds of the Preferential Issue of Equity Shares as mentioned in the objects of Offer in the Offer Document.

### **DISCLOSURE UNDER SECRETARIAL STANDARD**

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

### **GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- No transfer was made to the Investor Education and Protection fund against the unclaimed dividend or shares during the year. However, the Company has transferred

Rs. 41,690/- to IEPF collected from one of the Promoter as penalty towards the violation of Company's Code of Conduct for Trading by designated persons.

- No application has been made or proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year.
- There are no details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

### **ACKNOWLEDGEMENT**

It is our strong belief that caring for our business constituents has ensured our success in the past and will do so in future. The Board acknowledges with gratitude the co-operation and assistance provided to your company by the government as well as Non-Government agencies. The Board wishes to place on record its appreciation to the contribution made by employees of the company during the year under review. Your Directors gives their sincere gratitude to the customers, clients, vendors and other business associates for their continued support to the Company.

Your Directors also place on record their deep sense of appreciation for the devoted services rendered by all the employees of the company and for the continued co-operation & support received from shareholders of the Company.

**By order of the Board  
For Shri Gang Industries  
and Allied Products Limited**

**Sd/-  
Arun Kumar Sharma  
Whole Time Director  
DIN:09008061**

**Sd/-  
Syed Azizur Rahman  
Director  
DIN: 00242790**

**Date:** 25. 08.2023

**Place:** New Delhi

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies**  
**(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**SHRI GANG INDUSTRIES AND ALLIED PRODUCTS LIMITED**  
CIN: L01112UP1989PLC011004  
Plot No. B-2/6 & 2/7, UPSIDC Industrial Area,  
Sandila Phase IV, Hardoi,  
Uttar Pradesh-241204

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHRI GANG INDUSTRIES AND ALLIED PRODUCTS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with Annexure 1 attached to this report:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); **(No FDI and ECB were taken by the Company and no ODI was given by the company during the Audit Period);**
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as amended from time to time:
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading)

Regulations, 2015;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred as SEBI (ICDR) Regulations) ;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**;
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the Audit Period)**;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021(herein after "Delisting Regulations"); and **(Not applicable to the Company during the Audit Period) and**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**

#### **OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY AS IDENTIFIED BY THE MANAGEMENT**

- 1) Foods Safety & Standards Act, 2006;
- 2) Foods Safety & Standards (Licensing & Registration of Food Business), Regulations, 2011;

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("hereinafter referred as SEBI LODR") as amended till date and the Listing Agreement entered into by the Company with BSE Limited ("BSE").

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines to the extent applicable, Standards, etc. as mentioned above except for the following:

- 1. *It is observed that the equity shareholding of the promoters and promoter's group in dematerialization form is 91.27% as on March 31, 2023 against 100% as required under Regulation 31 of SEBI LODR.*
- 2. *The company doesn't have the Fire NOC and the requisite permissions from the State Pollution Control Board for its manufacturing unit located at Sikandrabad, Uttar Pradesh. However, as informed and confirmed by the management during the year under review,*

*no manufacturing activities are carried out at above mentioned unit*

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is constituted with proper balance of Executive, Non-Executive, Women and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice of at least seven days' was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting in compliance of the Act.
3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.

Based on the compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by Mr. Arun Kumar Sharma Whole Time Director of the Company and taken on record by the Board of Directors at their meeting (s), we further report that;

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has not incurred any specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc. except the following:

1. The Board of directors in their meeting held on May 30, 2022 has approved re-classification of status of M/s. Mother Mira Industries Limited from "Promoter & Promoter Group Category" to "Public Category" under Regulation 31A of SEBI LODR. Thereafter the company has filed requisite application with BSE on June 27, 2022. The said application was approved by BSE on May 31, 2023.
2. The members of the Company at their Extra Ordinary General Meeting held on June 27, 2022 have passed the following resolutions:
  - Ordinary Resolution to alter the Memorandum of Association of the company under section 13, 61 of the Act by increasing the Authorised Share Capital of the Company from Rs.8,50,00,000/- (Rupees Eight Crore and Fifty Lakh Only) divided into 85,00,000 (Eight Five Lakh) Equity Shares of Rs. 10/- each to Rs.18,50,00,000/- (Rupees Eighteen Crore and Fifty Lakh Only) divided into 1,85,00,000 (One Crore and Eighty- Five Lakh) Equity Shares of Rs. 10/- each.
  - Special Resolution under section 23, 42, 62(1)(c) of the Act and in accordance with provisions of Chapter V of SEBI ICDR to create, issue, offer and allot, on a preferential basis 1,00,00,000 Equity Shares of face value of Rs.10/- each to the persons belonging to Non-Promoter Category and Promoter & Promoter Group Category, for cash, at an issue price of Rs.10/- (Rupees Ten Only) per Equity Share, for an aggregate amount of up to

Rs.10,00,00,000/- (Rupees Ten Crore Only)

- Special Resolution under Section 14 of the Act to adopt new set of Article of Association of the Company.
3. Pursuant to the authority accorded by the Board of Directors on May 30, 2022 and by the members of the company in June 27, 2022 and In-Principle approval by BSE dated June 23, 2022 under section 42 of the Act read with Chapter V of SEBI (ICDR), the Preferential Issue Committee of the Board at its meeting held on July 09, 2022 has passed resolution for allotment of 1,00,00,000 fully paid up Equity Shares of the face value of Rs. 10/- (Rupees Ten Only) at an Issue Price of Rs.10/- (Rupees Ten Only) each aggregating to Rs.10,00,00,000/- (Rupees Ten Crore Only), to the persons belonging to Non-Promoter Category and Promoter & Promoter Group category.

Further, the company has made an application dated July 13, 2022 to BSE for listing of above mentioned shares and the BSE vide its letter dated August 08, 2022 has admitted and approved the Listing of abovementioned shares. BSE further, vide its Notice dated August 22, 2022 accorded its approval for trading of aforementioned shares w.e.f. August 23, 2022.

4. Ordinary Resolution was passed by the members at their Annual General Meeting held on September 30, 2022 to alter the Memorandum of Association of the Company under section 13, 61 of the Act by increasing the Authorised Share Capital of the Company from Rs.18,50,00,000/- (Rupees Eighteen Crore and Fifty Lakh Only) divided into 1,85,00,000 (One Crore and Eighty-Five Lakh) Equity Shares of Rs.10/- each to Rs.30,00,00,000/- (Rupees Thirty Crores Only) divided into 3,00,00,000 (Three Crore) Equity Shares of Rs. 10/- each.

**FOR MONIKA KOHLI & ASSOCIATES  
COMPANY SECRETARIES**

**Date:** 25.08.2023

**Place:** New Delhi

**UDIN:** F005480E000864558

**Sd/-  
(MONIKA KOHLI)  
FCS, LL.B., IP, B. Com (H)  
Prop.  
CP No.4936  
FCS No. 5480  
Peer Review No. 1348/2021**

To,  
The Members,  
**SHRI GANG INDUSTRIES AND ALLIED PRODUCTS LIMITED**  
CIN: L01112UP1989PLC011004  
Plot No. B-2/6 & 2/7, UPSIDC Industrial Area,  
Sandila Phase IV, Hardoi,  
Uttar Pradesh-241204

**Sub: Our Secretarial Audit for the Financial Year ended March 31, 2023 of even date is to be read along with this letter.**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis to our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. As per the information provided by the Company, there are certain cases filed by or against the Company, which are currently lying pending with the various Courts. However as informed these cases have no major impact on the Company.

**FOR MONIKA KOHLI & ASSOCIATES  
COMPANY SECRETARIES**

**Date:** 25.08.2023  
**Place:** New Delhi  
**UDIN:** F005480E000864558

Sd/-  
(MONIKA KOHLI)  
FCS, LL.B., IP, B. Com (H)  
Prop.  
CP No.4936  
FCS No. 5480  
Peer Review No. 1348/2021

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The information is required in compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming a part of the Boards' Report for the year ended March 31, 2023 and has to be read in Conjunction with the Company's financial statements, which follows this Section. The management of the company is presenting herein the overview, opportunities and threats, initiatives by the Company and overall strategy of the company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country.

### **GLOBAL ALCOHOLIC BEVERAGE INDUSTRY OVERVIEW**

The global alcoholic beverage is estimated to reach a value of US\$ 1900bn by the year 2030. This is an increase represented by the Compound Annual Growth Rate (CAGR) of 3.00% by 2023 to 2030.

The alcoholic drinks market is predicted to have 6.6% of its total revenue coming from online sales by 2023. Out-of-home consumption, such as in bars and restaurants, is expected to contribute to 42% of spending and 25% of volume consumption by 2027. Volume is estimated to reach beyond 300 bn litres by 2027, with an anticipated growth rate of 2% in 2024. The average volume per person in the alcoholic drinks market is expected to be 36.73 litres in 2023.

The global alcoholic beverages markets experiencing a rapid increase in demand due to various factors such as a growing youth population, rising middle-class income and a robust economy. Consumers are seeking new and innovative alcoholic beverage options.

Further, consumers are becoming more aware of the potential negative effects of consuming low-alcohol beverages, which is leading to an increased demand for higher-alcohol content beverages. This shift in consumer preferences is driving the growth of high-performance and high-quality alcoholic beverage manufacturers, who are experiencing significant commercial success.

*(Source: statista.com)*

### **INDIAN ALCOHOLIC BEVERAGES MARKET OVERVIEW**

The alcoholic drinks market is poised for significant growth, with an expected revenue of US\$ 49,580.00 mn in 2023. The Spirits segment is the largest in the market, accounting for US\$ 34,470 mn of the total revenue in 2023. On a per capita basis, the alcoholic drinks market is expected to generate \$ 34.92 in revenue in 2023. Online sales are expected to contribute 0.5% of total revenue in the market by 2023.

The overall volume of the alcoholic drinks market is expected to reach 14,100 mn litres by 2027, with a projected growth rate of 3.9% in 2024. On average, each person is expected to consume 8.58 litres of alcoholic beverages in 2023.

The emergence of reasonably priced premium brands and people's evolving drinking habits, especially among the younger generation, have brought about major changes in the Indian subcontinent's liquor market. A significant proportion of the alcohol industry is largely made up



of Indian made or -manufactured foreign liquor(IMFL), Indian-made Indian liquor(IMIL), wine, beer and imported alcohol.

Whiskey trumps the IMFL category in India. Moreover, vodka is flourishing as a consequence of a rise in pubs, hotels and restaurants, in addition to emerging nightlife and consumer choices. The alcohol industry contributes significantly to the Indian economy. It not only generates up to 2 Lakh Crore in revenue to the states, but it also effectively assists nearly 40 Lakh farmers.

(Source: statista.com, timesofindia.com)

### **INDIAN WHISKY SEGMENT OVERVIEW**

India is one of the fastest growing liquor markets in the world. Alcoholic beverages are considered a sunrise industry owing to its high-growth potential and increasing social acceptance. Growth in urban population coupled with the increasing disposable income is projected to propel the market growth of alcohol. Moreover, the advent of variety in the flavor of alcohol coupled with the expanding product portfolio by the manufacturers has further projected to boost the growth of alcohol market.

India is primarily a market for brown spirits, with whisky holding the lion's share. In fact, we are the world's largest whisky market by consumption, accounting for 10% of global liquor consumption. The whisky segment is a significant contributor to the alcoholic drinks market, with a revenue of US\$ 18.38bn expected in 2023 and an estimated annual growth rate of 5.34% from 2023 to 2027.

On a per capita basis, the revenue generated in the whisky segment is expected to be US\$ 12.95 in 2023. The volume of whisky is projected to reach 3.93 bn litres by 2027, with a growth rate of 2.6% in 2024.

On average, each person is expected to consume 2.51 liters of whisky in 2023. Whisky consumption is expected to reach 289.49 mn cases by 2027-28. In 2021, India consumed 237.22 mn cases of whisky. Consumers' preference for quality whisky, is witnessing rapid growth for premium whisky at a CAGR of 15.66% over the projected timeframe. The super-premium range of whisky is expensive and in short supply because it is exclusively available to the country's elite class.

### **INDIAN EXTRA-NEUTRAL ALCOHOL MARKET**

The Indian Market for the ENA was valued at Rs. 97.7 bn in 2022 and is expected to grow at a compound annual growth rate of 4.21 % for the next 5 years. In India, almost 90% of ENA is used for potable alcohol. Increased consumer disposable incomes, rapidly growing Western influence, cultural views toward drinking and a fundamental change from country liquor to Indian-made foreign liquor (IMFL) are driving the increased production and consumption of potable alcohol made ENA in India.

### **INDIAN MADE FOREIGN LIQUOR SEGMENT OVERVIEW**

The Indian made foreign liquor(IMFL) market in India was valued at approximately US\$ 20 mn in fiscal year 2021. Moreover, the market is expected to grow to more than US\$ 32 mn by the fiscal year 2025.

The market for IMFL increased by 13% in 2022. Sales volumes of IMFL rose 24%, with demand increasing for all key segments - whisky, brandy, rum and vodka. Characterized by a high base, whisky, which dominates two-thirds of the entire market.

### **GROWTH DRIVERS**

Change in demographics, coupled with the change in lifestyle is another major factor expected to foster the market of alcohol. The legal drinking age in India varies from state to state (from 18 years to 25 years), further indicate that India is ideal for the high growth of the alcohol market.

The outlook for the Indian alcoholic beverages continues to remain positive due to favorable demographics, expanding middle class, rising disposable income levels, greater preference for premium food and drink experiences and greater acceptance of alcoholic beverages in social circles. Increased consumption of liquor in rural areas will be another major reason for the growth in the market. Although the average per adult intake of alcohol is considerably low in India when compared to other countries such as the United States, drinkers among young Indians are more prevalent. This provides tremendous opportunity to drive growth of Alcobev industry on the back of its rising working age population. It is expected that per capita consumption will increase with changes in lifestyle and aspiration of the population.

The Indian market is huge and has great potential for all the players in this space, we firmly believe there is room for everyone in this industry. The age demographics are in India's favor and because of rapid urbanization, the industry will continue to witness healthy demand.

### **BUSINESS ANALYSIS AND COMPANY OVERVIEW**

The company is now focusing on its liquor business as the edible oils business is not conducive as the plant at Sikandrabad (UP) is quite old and requires substantial capex towards technological up-gradation and addition of new equipment.

Due to this the company diversified into liquor business and set up Bottling Plant for Indian Made Foreign Liquor (IMFL) at Sandila, Dist. Hardoi, Uttar Pradesh which commenced commercial production in July 2020. The Company also set up Distillery unit as a backward integration of Bottling Plant. The Distillery unit commenced commercial operations in September 2023.



*Sandila Plant, Dist Hardoi (U.P.)*

The company is exclusively manufacturing IMFL for United Spirits Ltd in their popular and prestigious brands. The company also has a long term agreement for supply of ENA to United Spirits Ltd.



The company's financial performance is gradually improving after diversification into the liquor segment. The company posted a net profit of Rs1,315.30 Lakh in FY 2022-23 as against net profit of Rs 473.87 Lakh in FY 2021-22. The distillery unit commenced its operation in mid of FY 2022-2023, therefore the profitability will further improve with full year operation of Distillery unit.

### **RISKS & CONCERNS, OPPORTUNITIES & THREATS**

The risks and opportunities of all corporations are inherent and inseparable elements. Directors and management of the Company take constructive decisions to protect the interests of stakeholders.

#### **RISKS & CONCERNS**

- ✚ Liquor industry is dependent on the policies of the State Governments as potable liquor is a State Subject. There is a threat of imposition of prohibition on consumption of liquor as done in the States of Gujarat and Bihar.
- ✚ Prohibition in certain states poses a threat to legitimate sales and gives rise to inter-state smuggling impacting industry growth. This may also lead to a proliferation of country liquor sales in absence of / curtailed availability of branded products.
- ✚ The industry is exposed to multiple regulatory risks emanating from state taxes, and changes in regulations with respect to pricing, licensing, working of operating facilities, manufacturing processes, marketing, advertising, and distribution.

#### **OPPORTUNITIES**

- ✚ There is good opportunity in the liquor business as demand for potable liquor is showing a steady growth year on year.
- ✚ With rising disposable income and evolving consumer lifestyles presents significant opportunity to grow sales and expand margins.
- ✚ Low per capita consumption, rapid urbanization, favourable macroeconomic indicators, higher disposable incomes and evolving lifestyles bode well for the industry as a whole.
- ✚ Dynamic lifestyles and enhancing brand awareness.
- ✚ Expansion into new territories.
- ✚ Establishing brand value through mergers and acquisitions

## THREATS

- ✚ Since the liquor industry is highly regulated by the State Governments, there is always a threat of change in the Government policies which can affect the industry.
- ✚ Consumption de growth due to inflationary pressures and other macroeconomic factors.
- ✚ Availability and procurement of inputs.
- ✚ Growing health awareness among individuals, resulting in dietary shifts

## FINANCIAL PERFORMANCE

PARTICULARS	FY 2022-2023 (Rs. In Lakh)	FY 2021-2022 (Rs. In Lakh)
REVENUE FROM OPERATION/ SEGMENT PERFORMANCE	13868.17	8021.37
TOTAL EXPENDITURE	12964.79	7617.08
EARNINGS BEFORE INTEREST AND TAX	960.41	536.96
PROFIT AFTER TAX [PAT]	1315.30	473.87

During the year under review, your Company achieved a revenue of INR 13868.17 Lakh as against the 8021.37 Lakh in the previous year. This translates to increase of 72.89 over previous year. However, the most encouraging part is that the company has posted a profit of Rs1315.30 Lakh as against the profit of INR 473.87 Lakh in the previous year.

## OUTLOOK

After the diversification into liquor business the financial performance of the company is improving year on year. The outlook of the liquor industry is positive and the financial performance of the company would further improve with the commissioning of the Distillery unit.

## DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

RATIOS	FY 2022-2023	FY 2021-2022	CHANGE	REMARKS
Net profit margin	9.49	5.38	61.43%	Change in line with increase in revenue
Operating profit Margin	13.23	11.42	15.83%	Change in line with increase in revenue
Debtor's turnover	95.45	964.51	-90.10%	Sales are being made on credit period unlike previous year
Stock turnover	9.93	18.97	-47.67%	More inventory is being maintained since new manufacturing facility started.
Debt-equity ratio	6.94	14.66	-52.70%	Ratio has improved due to share capital raised in the current year.
Current ratio	0.29	0.13	126.64%	Ratio has improved due to profits made.
Interest service coverage ratio	3.44	4.04	-14.83	Due to increase in finance cost after the commissioning of

				distillery unit
<b>Return on capital employed</b>	0.11	0.06	70.14%	Change in line with increase in revenue

## **HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

Your Company recognizes that people are the prime assets of the organization. Your Company believes that its employees are integral to driving business success. Your Company's talent pool plays a key role in commitment to deliver quality products and services. Your Company recognizes that the long-term success and sustainable growth of our organization depends on our capacity to attract, retain and develop our employees. We are committed to providing our employees across the country with a safe and healthy work environment and helping them realize their full potential. The organization fosters an open and transparent work culture that drives innovation and nurtures entrepreneurial spirit among all employees. Your Company believes in celebrating milestones, both big and small, and encourages people to connect, communicate and collaborate through various forums.

The Company continues to focus on attracting and retaining right talent with right opportunities to employees. Learning is ingrained in our culture and employees are constantly encouraged and given ample opportunities to upgrade their knowledge and skill.

Your Company remains committed to enhancing employee capabilities, equipping them with the necessary tools to thrive in a rapidly evolving industry and adapt to future challenges. It is worth noting that the Company's industrial facilities operate smoothly without the presence of labor unions, ensuring uninterrupted operations and minimal disruption.

Industrial relations during the year has been cordial and contributed to mutual development. Company maintained healthy, cordial and harmonious industrial relations at all levels. The Board of Directors and management wish to place on record their appreciation for the efforts put in by all employees to achieve good performance. Industrial Relations continue to be harmonious and peaceful at all levels and at all locations of the Company.

There was not any case pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 was reported during the year.

## **CASH FLOW ANALYSIS**

The Cash Flow Statement of the Company for the year under review, in terms of Regulation 34(2) of the (Listing Obligations and Disclosures Requirements) Regulations, 2015 is annexed to the Annual Accounts of the company which forms part of the Annual Report.

## **SEGMENT REPORTING**

The company has two business segments- Edible Oil Operations and Liquor Operations. Edible oil operations consist of trading activities and high seas sale of edible oil. No manufacturing is being done for edible oils. Liqueur operations consists of manufacturing ENA & IMFL through the Company's plant situated at Sandila, Dist. Hardoi, Uttar Pradesh. The company is exclusively manufacturing IMFL for United Spirits Limited.

Details of the Segment revenue and expense is given under Notes to Financial Statements which forms part of the Annual Report.

## **FINANCE COST**

The financial cost for the financial year ended on March 31, 2023 was Rs. 535.45 Lakhs. This is mainly on account of interest payable on the unsecured loan taken by the company.

## **OTHER EQUITY (RESERVES AND SURPLUS)**

As on March 31, 2023 the Reserves and Surplus in the Balance Sheet were negative at Rs. 6239.30 Lakh as compared to the negative balance of Rs. 7584.60 Lakh during the Financial Year ended on March 31, 2022.

## **EARNINGS PER SHARE**

Earnings per share of the company is 8.65 as against the Earning per Share of 5.95 of last year.

## **INTERNAL CONTROLS**

The Company has well-equipped and effective internal control systems in place that match the scale of its sector and the complexity of the market it works in. Such stringent and detailed controls ensure the effective and productive use of resources, to the degree that the Company's assets and interests are safeguarded, transactions are approved, registered and properly reported, and checks and balances guarantee reliability and consistency of accounting data.

The Audit Committee and the Board reviews the performance of the audit and the adequacy of internal control systems and compliance with regulatory guidelines. The Management takes corrective actions on basis recommendations received from internal auditor and the audit committee.

## **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis, describing the Company's growth prospects, are forward-looking statements. The actual results may vary, depending upon economic conditions, raw-material prices, government policies, regulations, tax laws and other incidental factors.

**By Order of the Board  
For Shri Gang Industries  
and Allied Products Limited**

**Sd/-  
Arun Kumar Sharma  
Whole Time Director  
DIN:09008061**

**Sd/-  
Syed Azizur Rahman  
Director  
DIN: 00242790**

**Place:** New Delhi  
**Date:** 25.08.2023

## **REPORT ON CORPORATE GOVERNANCE**

**"Good governance is not fire-fighting or crisis-management. Instead of opting for ad-hoc solutions the need of the hour is to tackle the root cause of the problems."**

**Hon'ble P.M. Narendra Modi**

*"Corporate governance is concerned with holding the balance between economic and social goals and between individual and communal goals. The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align as nearly as possible the interests of individuals, corporations and society."*

A good Corporate Governance is a system by which Companies are directed and controlled by the management in the best interest of the stakeholders and others. Corporate Governance ensures fairness, transparency and integrity of the Management. Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investor's confidence and commitment to the Companies. Your company has been practicing the principles of Good Corporate Governance for the last many years.

Corporate governance is of paramount importance to a company and is almost as important as its primary business plan. When executed effectively, it can prevent corporate scandals, fraud and the civil and criminal liability of the company. It also enhances a company's image in the public eye as a self-policing company that is responsible and worthy of shareholder and debt-holder capital. It dictates the shared philosophy, practices and culture of an organization and its employees. A corporation without a system of corporate governance is often regarded as a body without a soul or conscience. Corporate governance keeps a company honest and out of trouble. If this shared philosophy breaks down, then corners will be cut, products will be defective and management will grow complacent and corrupt. The end result is a fall that will occur when gravity - in the form of audited financial reports, criminal investigations and federal probes - finally catches up, bankrupting the company overnight. Dishonest and unethical dealings can cause shareholders to flee out of fear, distrust and disgust.

The Company has a mission to provide sustainable advanced solution and service to our customers, long term partnership with its investors, maximizing value to our stakeholders, clients, suppliers and its employees.

This has been articulated through the Company's Code of Business Conduct and Ethics, Corporate Governance guidelines, charters of various sub-committees of the Company's Disclosure policies. These policies seek to focus on enhancement of long term stakeholder's value without comprising on Ethical Standards and Corporate Social Responsibilities.

It is essential that good governance practices must be effectively implemented and enforced preferably by self-regulation and voluntary adoption of ethical code of business conduct.

The effective implementation of good governance practices would ensure investors' confidence in the corporate companies which will lead to greater investment in them ensuring their sustained growth. Thus good corporate governance would greatly benefit the companies enabling them to thrive and prosper.

## **1. COMPANY'S PHILOSOPHY**

Company Philosophy on Corporate Governance is founded upon a rich legacy of fair ethical and transparent Governance practices, many of which were in place even before they were mandated by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

The Company believes in adopting best practices in the area of corporate governance and follows the principles of full transparency and accountability by providing information on various issues concerning the Company's business and financial performance to its shareholders. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices. The Company will continue to focus its resources, strengths and strategies to achieve growth in business.

The Company has evolved and followed the corporate governance guidelines and best practices sincerely to not just boost long-term shareholder value, but to also respect minority rights. We consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

The Board considers itself as the Trustee of its Shareholders. During the period under review, the Board continued its pursuit by adopting and monitoring of corporate strategies, prudent business plans, major risks and ensuring that the Company pursues policies and procedures to satisfy its social, legal and ethical responsibilities.

Your Company has adopted best of corporate governance practices and is based on following principles:

- Corporate Governance Standards should satisfy both the spirit of the law and the letter of the law.
- Accountability for functioning and transparency in conduct.
- Have a simple and transparent corporate structure driven solely by business needs.
- Compliance with applicable laws and regulations
- Value creation and wealth maximization for stakeholders.
- The Management is the trustee of the members' capital and not the owner

The provisions of Regulation 17 to Regulation 27 and clause (b) to (i) and (t) of sub regulation (2) of 46 and requirements of para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI LODR"), became applicable to the company w.e.f. July 09, 2022.

## **2. BOARD OF DIRECTORS**

### **A. Size and Composition of Board of Directors:**

We believe that our Board needs to have an appropriate mix of executive, non-executive and independent directors to maintain its independence, and separate its functions of governance and management. As on 31<sup>st</sup> March, 2023, our Board had Five (5) Directors consisting of 4 (Four) Directors as Non-Executive (including 2 (Two) Independent Directors) and 1 (One) Director as Executive.



All Independent Directors are drawn from amongst eminent professionals with an expertise in Business/ Finance/Law/Public Enterprises/Marketing and other allied fields. All Independent Directors adhere to the criteria defined under Regulations 16 of SEBI LODR read with the provisions of Section 152, 149 and other applicable provisions of the Companies Act, 2013 (“the Act”) and are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Board’s actions and decisions are aligned with the Company’s best interests. It is committed to the goal of sustainably elevating the Company’s value creation. The board reviews include strategic review from each of the Committees, a detailed analysis and review of annual strategic and operating plans, capital allocation and budgets.

**Details of the Board of Directors and the Directorships/ Membership in the Board/ Board Committees, respectively of other companies are following:**

SL. NO	NAME OF DIRECTORS	CATEGORY OF DIRECTOR	NUMBER OF SHARES HELD BY DIRECTORS	NO. OF DIRECTORSHIP IN OTHER COMPANIES#	NO. OF COMMITTEE POSITIONS HELD IN OTHER COMPANIES##		DIRECTORSHIP IN LISTED ENTITY (CATEGORY OF DIRECTORSHIP)
					CHAIRMAN	MEMBER	
1.	<b>*SYED AZIZUR RAHMAN</b>	Non-Executive-Non Independent Director, Chairperson	100	3	0	3	1. Suraj Industries Limited \$
2.	<b>***SANJAY KUMAR JAIN</b>	Non-Executive Non-Independent Director	--	11	1	1	1. Tinna Rubber and Infrastructure Limited@ 2. Suraj Industries Limited \$
3.	<b>ARUN KUMAR SHARMA</b>	Executive Director	--	2	0	0	-
4.	<b>*VISHAL SINGH</b>	Non-Executive Independent Director	--	4	0	0	1. Wonder Electricals Limited @
5.	<b>SEEMA SHARMA</b>	Non-Executive Independent Director	--	-	0	0	-

6	<b>**ANITA GUPTA</b>	Non-Executive Non-Independent Director	586,780	3	0	0	-
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\*Appointed w.e.f. June 14, 2022.

\*\*Resigned as Director w.e.f June 14, 2022. Therefore, data pertains till the date of her resignation only.

\*\*\*Change in Designation of Mr. Sanjay Kumar Jain (DIN: 01014176) from Non-Executive Independent Director to Non-Executive Non Independent Director of the Company w.e.f. May 30, 2022.

#This includes Directorships in all Companies (Listed, Unlisted Public and Private Limited Companies incorporated in India) **excluding** Shri Gang Industries and Allied Products Limited, foreign and Section 8 companies.

##For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, are considered. Further Committees considered for the purpose are those prescribed under explanation to Regulation 26(1)(b) of the SEBI LODR viz. Audit Committee and Stakeholders Relationship Committee of Indian public limited companies **excluding** Shri Gang Industries and Allied Products Limited, foreign and Section 8 companies.

#### **\$ Non-Independent, Non-Executive @ Independent, Non-Executive**

None of the Directors on the Board holds directorships in more than the limit prescribed under the Act/ SEBI LODR. None of the Independent Directors serves as an independent director on more than seven listed entities.

None of the Directors of the Board serve as Members of neither more than 10 committees nor do they are Chairman of more than 5 committees as per the requirements of the SEBI LODR.

During FY 2023, information as mentioned in Part A of Schedule II of the SEBI LODR, has been placed before the Board for its consideration.

The Board periodically reviews the compliance reports of all laws applicable to the Company.

Necessary disclosures regarding Committee positions in other public companies as on March 31, 2023 have been made by the Directors. None of the Directors is related to each other.

### **B. Roles and responsibilities of the Board**

The primary role of the Board is that of trusteeship to protect and enhance shareholders value through strategic direction to the company. As trustee, the Board of Directors has fiduciary responsibility to ensure that the company has clear goals aligned to shareholder value and its growth. The Board exercises its duties with care, skill and diligence and exercises independent judgment. The Board sets strategic goals and seeks accountability for their fulfillment. The Board also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfills stakeholders' aspirations and societal expectations.

#### **Key functions of the Board**

- The Board reviews and guides Corporate Strategy, Major Plans of Action, Risk Policy, Annual Budgets and Business Plans; Setting Performance Objectives; Monitoring Implementation and Corporate Performance.
- Board monitors the effectiveness of the Company's governance practices and making changes as needed.
- Selects, Compensates, Monitors and, when necessary, replaces key executives and overseeing succession planning.
- Ensures the integrity of the Company's accounting and Financial Reporting Systems, including the Independent Audit, and that appropriate systems of control are in place, in particular, systems for Risk Management, Financial and Operational Control, and Compliance with the law and relevant standards.
- Oversees the process of disclosure and communications.
- Monitors and reviews Board Evaluation Framework.
- Align key managerial personnel and remuneration of Board of Directors with the long term interests of the company and its shareholders.

### C. Meetings of Board of Directors' and their attendance record

The Board met Five (5) times during the financial year 2022-23. The periodicity between two Board Meetings was within the maximum time gap as prescribed in the (LODR) / Companies Act, 2013. Directors' attendance at the Board Meetings during the financial year and the last Annual General Meeting (AGM) held is provided herein under:

Sr. No.	Name of Director	DIN	30.05.2022	13.08.2022	03.09.2022	19.10.2022	10.02.2023	Attendance at the AGM held on 30.09.2022
1.	SYED AZIZUR RAHMAN	00242790	NA	✓	✓	✓	✓	✓
2.	ARUN KUMAR SHARMA	09008061	✓	✓	✓	✓	✓	✓
3.	SANJAY KUMAR JAIN***	01014176	✓	✓	✓	✓	✓	✓
4.	SEEMA SHARMA	07216171	✓	✓	✓	✓	✓	✓
5.	VISHAL SINGH*	01881694	NA	✓	✓	✓	✓	✓
6.	ANITA GUPTA**	00243804	➤	NA	NA	NA	NA	NA

✓ Attended the Meeting in person      **NA** Person was not holding Directorship as on that date

\* Appointed w.e.f. June 14, 2022.

\*\*Resigned as Director w.e.f June 14, 2022

\*\*\*Change in Designation of Mr. Sanjay Kumar Jain (DIN: 01014176) from Non-Executive Independent Director to Non-Executive Non Independent Director of the Company w.e.f. May 30, 2022

### D. Skills/expertise/competencies of Directors

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

<b>SR. NO.</b>	<b>NAME OF DIRECTOR</b>	<b>DESIGNATION</b>	<b>AREA OF EXPERTISE</b>
1.	<b>MR. SYED AZIZUR RAHMAN</b>	<b>DIRECTOR</b>	Mr. Syed Azizur Rahman is a dynamic professional aged 60 years. He has 30 years of experience in manufacturing industry inclusive of 20 years as Unit Head/Business head of company in edible oil industry.
2.	<b>MR. ARUN KUMAR SHARMA</b>	<b>WHOLE TIME DIRECTOR</b>	Mr. Arun Kumar Sharma has rich experience in various fields. He has more than 28 years of industrial experience and working in diverse industries.
3.	<b>MR. VISHAL SINGH</b>	<b>DIRECTOR</b>	Mr. Vishal Singh is an Advocate and a commerce Graduate having vast experience in the field of Corporate Taxation, Accounting matters, consultancy matters, Legal Advisory and Government Liaisoning.
4.	<b>MR. SANJAY KUMAR JAIN</b>	<b>DIRECTOR</b>	Mr. Sanjay Kumar Jain holds SEBI accreditations as a Registered Investment Advisor and Registered Research Analyst. He has about 31 years of work experience in Investments, Funds Management, Strategy, M&A, Corporate Finance and Investor Relations. For the last 15 years, he has worked as an independent consultant working with Promoters/ Senior Management of different companies. He had also co-founded an advisory business in M/s Taj Capital Partners Pvt Ltd. and participated in events of Global Investors, Government and Policy makers.
5.	<b>MS. SEEMA SHARMA</b>	<b>DIRECTOR</b>	Ms. Seema Sharma, aged 39 years, is a member of Institute of Company Secretaries of India and has done with Masters in Commerce from HNB Garhwal University in Management Discipline in 2007. She has an experience of more than 5 years in the field of Secretarial, Legal, Management and administration and other related matters

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries/fields from where they come.

#### **E. Detailed Reasons for resignation of an Independent Director:**

No Independent Directors has resigned during the year under review.

## **F. Non-Executive Directors' compensation and disclosures:**

No remuneration or sitting fees was paid to the Non-Executive Directors'. No stock options were granted to Non-Executive Directors or Independent Directors during the year under review.

During the year, Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company which has potential conflict with the interest of the Company at large, other than holding shares of the Company.

## **G. Independent Directors:**

In accordance with the provisions of SEBI LODR read with Schedule IV of the Companies Act, 2013, the Company has issued formal letters of appointment to all the Independent Directors.

The terms and conditions of Appointment of Independent Directors has been disseminated on the Company's website at the web link (<https://www.shrigangindustries.com/investor-relations.html>).

Further the Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board members, including Independent Directors. The performance evaluation of Independent Directors was done by the entire Board of Directors excluding the directors being evaluated.

During FY 2023, one separate meeting of the Independent Directors was held on March 20, 2023 where in the following items as enumerated under Schedule IV of the Companies Act, 2013, read with Regulation 25 of the SEBI LODR were discussed:

- Review of Performance of Non-Independent Directors and Board as a whole.
- Review of Performance of the Chairman of the Company after taking into consideration the views of Executive and Non-Executive Directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Company, Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## **FAMILIARIZATION PROGRAMS FOR INDEPENDENT DIRECTORS:**

In compliance with the provisions of Regulation 25(7) of the SEBI LODR, Independent Directors are familiarized about the company, through various programmes from time to time, including the following:

- (a) Nature of the industry in which the company operates;
- (b) Business model of the company;
- (c) Roles, rights, responsibilities of independent Directors; and
- (d) Any other relevant information.

The policy on the familiarization programmes for Independent Directors has been uploaded on the Company's website at given below link:

(Web link: <https://www.shrigangindustries.com/investor-relations.html>).

## **3. COMMITTEES OF THE BOARD**

The Board of Directors has constituted the following Committees of Directors with adequate delegation of powers to discharge the Company's requisite business:

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Stakeholders Relationship (Shareholders'/ Investors' Grievance) Committee
- D. Preferential Issue Committee

The minutes of the meetings of all such committees are placed before the Board for discussion/noting. Details of the composition, number of meetings held during the year, attendance of members and scope of the committees are as below:

#### **A. AUDIT COMMITTEE**

The Committee comprises of three members, majority of whom are Independent Directors. Company Secretary of the Company acts as the Secretary to the Committee.

The Committee's existing composition meets with requirements of Section 177 of the Companies Act, 2013 read with the provisions of Regulation 18 of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 as on March 31, 2023. Members of the Audit Committee possess financial / accounting expertise / exposure.

During the year, five (5) Audit Committee meetings were held. The composition of Audit Committee and the attendance of its members during the financial year 2022-2023 is as follows:

SR. NO	NAME OF MEMBERS	DESIGNATION	30.05.2022	13.08.2022	03.09.2022	19.10.2022	10.02.2023
1.	<b>SEEMA SHARMA</b>	Chairperson	✓	✓	✓	✓	✓
2	<b>**SANJAY KUMAR JAIN</b>	Member	✓	NA	NA	NA	NA
3.	<b>**ARUN KUMAR SHARMA</b>	Member	✓	NA	NA	NA	NA
4.	<b>*SYED AZIZUR RAHMAN</b>	Member	NA	✓	✓	✓	✓
5.	<b>VISHAL SINGH*</b>	Member	NA	✓	✓	✓	✓

✓ Attended the Meeting in person    **NA** Person was not holding membership of the Committee as on that date

\*\* Ceased to be the member of the Committee w.e.f June 14, 2022.

\* Appointed as member of the Committee w.e.f June 14, 2022.

#### **SCOPE AND OBJECTIVE OF THE AUDIT COMMITTEE**

The Audit Committee, inter alia, supports the Board to ensure an effective internal control environment. The Committee discharges such duties and functions with powers generally indicated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The audit committee oversees the work carried out in the financial reporting process by the management, the internal auditors and the independent auditors, and notes the process and safeguards employed by each of them.

The Audit Committee has powers to:

- investigate any activity within its terms of reference
- seek information from any employee
- Obtain outside legal or other professional advice, and
- secure attendance of outsiders with relevant expertise wherever it considers necessary

#### **TERMS OF REFERENCE:**

The roles, powers and functions of the Audit Committee of company are in accordance with the provisions of Section 177 of the Companies Act, 2013, read with Regulation 18 and Part-C of Schedule II of the SEBI LODR.

#### **THE TERMS OF REFERENCE TO THE AUDIT COMMITTEE INTER-ALIA INCLUDES THE FOLLOWING:**

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - matters required to be included in the directors' responsibility statement to be included in the boards' report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;

- Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  6. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  7. Approval or any subsequent modification of transactions of the listed entity with related parties;
  8. Scrutiny of inter-corporate loans and investments;
  9. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
  10. Evaluation of internal financial controls and risk management systems;
  11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  13. Discussion with internal auditors of any significant findings and follow up there on;
  14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  16. To review the functioning of the whistle blower mechanism;
  17. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  18. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

## **B. NOMINATION & REMUNERATION COMMITTEE**

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Committee comprises of three members, all of them are Non-Executive Directors and majority of whom are Independent Directors.

During the year, 1 (one) Nomination and Remuneration Committee meetings were held. The composition of Nomination and Remuneration Committee and the attendance of its members during the financial year 2022-23 is as follows:



SR. NO.	NAME OF MEMBERS	DESIGNATION	20.03.2023
1.	SEEMA SHARMA	Chairperson	✓
2	**SANJAY KUMAR JAIN	Member	NA
3.	**ANITA GUPTA	Member	NA
4.	*SYED AZIZUR RAHMAN	Member	✓
5.	*VISHAL SINGH	Member	✓

✓ Attended the Meeting in person      **NA** Person was not holding Directorship as on that date

\*\* Ceased to be the member of the Committee w.e.f June 14, 2022.

\*Appointed as member of the Committee w.e.f June 14, 2022.

#### TERMS OF REFERENCE:

The roles, powers and functions of the Nomination and Remuneration Committee of the Company are in accordance with the provisions of Section 178 of the Companies Act, 2013, read with Regulation 19 and Part-D of Schedule II of the SEBI (LODR).

The broad terms of reference of the nomination and remuneration committee are as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, key managerial personnel, and other employees;
2. Formulation of criteria for the evaluation of performance of Independent Directors and the Board of Directors;
3. Devising a policy on diversity of Board of Directors;
4. Identifying individuals who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
5. Deciding whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors. The criteria for the evaluation of Independent Directors include skills, experience and level of preparedness of the directors, attendance and extent of contribution to Board debates and discussion, and how the director leverages his / her expertise and networks to meaningfully contribute to the Company.

6. recommending to the Board the re-appointment and removal of any individuals holding the office of a Director, Key Managerial Personnel or Senior Management, subject to the provision of the law and their service contract;
7. determining whether the relevant Director has the requisite qualifications for practice of a profession in terms of section 197 of the Companies Act in relation to payment of remuneration for services rendered by such Director;
8. undertaking such other functions as may be determined by the Board or required under the provisions of the Companies Act or the Listing Regulations; and
9. undertaking such other actions as may be necessary or appropriate for performance of the aforementioned functions.

The Remuneration Policy of the company is available on the Company's website (<https://www.shrigangindustries.com/policy.html>)

#### **PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR), the Board adopted Performance Evaluation Policy to evaluate performance of each Director, the Board as a whole, its Committees and the Chairperson. Annual Evaluation of the performance of the Board including Independent Directors, its committees & of Individual directors has been made.

The performance evaluation criteria is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

Performance of the Board was evaluated by each Director on the parameters such as its roles and responsibilities, business risks, and contribution to the development of strategy and effective risk management, understanding of operational programs, availability of quality information in a timely manner etc. Independent directors also carried out evaluation of the Board performance.

Board Committees were evaluated by the respective committee members on the parameters such as role and responsibilities, effectiveness of the Committee vis-à-vis assigned role, appropriateness of committee composition, timely receipt of information by the Committee, knowledge updation by the committee members etc.

Performance of the Chairperson was evaluated by the Independent Directors on the parameters of demonstration of effective leadership, contribution to the Boards' work, communication with the Board, use of time and overall efficiency of Board meetings, quality of discussions at the Board meetings etc.

Directors were also evaluated individually by all other Directors (except the Director himself/herself) on the parameters of his / her preparedness at the Board meetings, devotion of time and efforts to understand the Company and its business, quality in contributions at the Board meetings, application of knowledge and experience while considering the strategy, effectiveness of follow-up in the areas of concern, communication with Board Members, Senior Management and Key Managerial Personnel. Nomination, Remuneration and Compensation Committee and the Board carry out evaluation of the individual Directors.

The performance evaluation criterion of Independent Directors has been uploaded on the Company's website at given below link:

(Web link: <http://www.shrigangindustries.com/investor-relations.html>).

### **REMUNERATION OF DIRECTORS**

Name of Director	Salary	Benefits	Bonus	Stock Option	Pension
<b>EXECUTIVE DIRECTORS</b>					
Mr. Arun Kumar Sharma	1,85,000	--	--	--	--
<b>NON- EXECUTIVE DIRECTORS</b>					
Ms. Seema Sharma	--	--	--	--	--
Mr. Syed Azizur Rahman	--	--	--	--	--
Mr. Sanjay Kumar Jain	--	--	--	--	--
Mrs. Anita Gupta	--	--	--	--	--
Mr. Vishal Singh	--	--	--	--	--

Services of the Executive Directors may be terminated by either party, giving the other party six months' notice or the Company paying six months' salary in lieu thereof. There is no separate provision for payment of severance pay.

### **C. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholders' Relationship committee is constituted in line with the provisions of Regulation 20 of SEBI LODR read with section 178 of the Companies Act, 2013. The Committee comprises of three members, two of them being Non-Independent Directors and one is Non-Executive Non-Independent Director.

The terms of reference and the ambit of powers of Stakeholders' Relationship Committee are as per Regulation 20 and Part-D of Schedule II of SEBI LODR read with Section 178 of the Companies Act, 2013, and allied rules as may be notified from time to time.

The broad terms of reference of the stakeholders' relationship committee are as under:

1. Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice / annual reports, etc. and all other securities-holders related matters.
2. Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
3. Recommending measures for overall improvement in the quality of services being provided to the Shareholders / Investors.

Details of shares transfer/transmissions approved by the committee are placed at the Board Meetings from time to time.

During the financial year 2023-23, Fourteen (14) meetings of Stakeholders' Relationship Committee were held on: **29.04.2022, 25.08.2022, 02.09.2022, 12.09.2022, 23.09.2022, 04.10.2022, 26.10.2022, 02.11.2022, 16.11.2022, 25.11.2022, 06.12.2022, 14.12.2022, 14.02.2023 and 20.03.2023.**

The Composition and attendance of members of the Stakeholders' Relationship Committee during the financial year 2022-23 is as follows:

SR NO	NAME OF MEMBERS	SEEMA SHARMA	**SANJAY KUMAR JAIN	**ARUN KUMAR SHARMA	*SYED AZIZUR RAHMAN	VISHAL SINGH*
	Designation	Chairperson	Member	Member	Member	Member
1.	29.04.2022	✓	✓	✓	NA	NA
2	25.08.2022	✓	NA	NA	✓	✓
3.	02.09.2022	✓	NA	NA	✓	✓
4.	12.09.2022	✓	NA	NA	✓	✓
5.	23.09.2022	✓	NA	NA	✓	✓
6.	04.10.2022	✓	NA	NA	✓	✓
7.	26.10.2022	✓	NA	NA	✓	✓
8.	02.11.2022	✓	NA	NA	✓	✓
9.	16.11.2022	✓	NA	NA	✓	✓
10.	25.11.2022	✓	NA	NA	✓	✓
11.	06.12.2022	✓	NA	NA	✓	✓
12.	14.12.2022	✓	NA	NA	✓	✓
13.	14.02.2023	✓	NA	NA	✓	✓
14.	20.03.2023	✓	NA	NA	✓	✓

✓ Attended the Meeting in person **NA** Person was not holding membership of the

Committee as on that date

\*\* Ceased to be the member of the Committee w.e.f June 14, 2022.

\*Appointed as member of the Committee w.e.f June 14, 2022.

#### **D. PREFERENTIAL ISSUE COMMITTEE**

The terms of reference of the Preferential Issue Committee is to consider, discuss and decide the terms and conditions and other related matters in connection with the smooth functioning of Preferential allotment of securities and such other matters as may be required.

During the financial year 2022-23, 3 (Three) meetings of Preferential Issue Committee were held on: **08.07.2022 (1), 08.06.2022 (2) and 09.07.2022.**

The Composition and attendance of members of the Preferential Issue Committee during the financial year 2022-23 is as follows:

Sr. No.	Name of Members	Designation	08.06.2022 (1)	08.06.2022 (2)	09.07.2022
1.	<b>Arun Kumar Sharma</b>	<b>Chairperson</b>	✓	✓	✓
2	<b>Sanjay Kumar Jain</b>	<b>Member</b>	✓	✓	✓
3.	<b>Seema Sharma</b>	<b>Member</b>	✓	✓	✓

✓ Attended the Meeting in person

#### **COMPLIANCE OFFICER**

Ms. Kanishka Jain\*, Company Secretary is the Compliance Officer of the Company. The Corresponding addresses of Compliance officer is as follows:

<b>REGISTERED OFFICE</b>	:	<b>Plot No. B-2/6 &amp; 2/7, UPSIDC Industrial Area, Sandila Phase IV, Hardoi, Uttar Pradesh.</b>
<b>CORPORATE OFFICE</b>	:	F-32/3, Ground Floor, Okhla Industrial Area, Phase II, New Delhi-110020 Phn No. 011-42524454
<b>E-MAIL ID</b>	:	<a href="mailto:secretarial@shrigangindustries.com">secretarial@shrigangindustries.com</a> ; <a href="mailto:cs@shrigangindustries.com">cs@shrigangindustries.com</a>
<b>WEBSITE</b>	:	<a href="https://www.shrigangindustries.com">https://www.shrigangindustries.com</a>

(\*) Ms. Kanishka Jain is the Company Secretary of the Company.

The Company welcomes all the shareholders to communicate with the Company as per the above details or through the Company's Registrar and Share Transfer Agent, whose particulars are given later in this report.

Pursuant to the Regulation 13 of SEBI LODR, Company has duly filed with the recognized stock exchange(s) on a quarterly basis, within twenty-one days from the end of each quarter, a statement giving the number of investor complaints pending at the beginning of the quarter, those received during the quarter, disposed off during the quarter and those remaining unresolved at the end of the quarter.

No complaints were pending at the beginning of the year and only one complaint was received by the company during the year which was resolved within specified time. So, no complaints were outstanding as on March 31, 2023. The Company maintains continuous interaction with its RTA and takes proactive steps and actions for resolving complaints/queries of the shareholders/Investors and also takes initiatives for solving critical issues.

#### **4. GENERAL BODY MEETINGS**

##### **(I) Annual General Meeting (AGM) Details**

The details of the last three Annual General Meetings of the Company and the Special resolutions passed thereat are as under:

<b>YEAR</b>	<b>LOCATION</b>	<b>DATE</b>	<b>TIME</b>	<b>SPECIAL RESOLUTIONS PASSED</b>
<b>2020</b>	Though Video Conferencing	30.09.2020	3:30 PM	To Increase the limits u/s 180(1)(a) upto Rs. 150 Crores.
<b>2021</b>	Though Video Conferencing	30.09.2021	3:30 PM	To appoint Mr. Atul Jain as Whole Time Director of the Company.
<b>2022</b>	Though Video Conferencing	30.09.2022	5:00 PM	<ol style="list-style-type: none"> <li>1. To appoint Mr. Arun Kumar Sharma (DIN: 09008061) as Whole Time Director of the Company.</li> <li>2. To appoint Mr. Vishal Singh (DIN: 07500944) as Independent Director of the Company.</li> <li>3. Shifting of Registered Office of the Company from A-26, UPSIDC Industrial Area, Sikandrabad, Bulandshahar, Uttar Pradesh-203205 to Plot No. B-2/6 &amp; 2/7, UPSIDC Industrial Area, Sandila Phase IV, Hardoi, Uttar Pradesh.</li> </ol>

##### **(II) Extra-Ordinary General Meeting (EGM) held during the financial year 2022-23:**

During the year under review, One Extra Ordinary General Meeting was held on June 27, 2022.

### (III) Postal Ballot

During the year under review, no resolution was passed through postal ballot.

## 5. MEANS OF COMMUNICATION

In accordance with the SEBI LODR, the quarterly / half yearly / annual results are regularly submitted to the BSE Limited with whom the Company has listing arrangements as soon as they are approved and taken on record by the Board of Directors of the Company. The results are being published generally in **The Financial Express (English) and The Jansatta (Hindi)** newspapers circulating in the state of Uttar Pradesh in terms of the **SEBI LODR**.

The official news releases, including quarterly, half yearly and annual results, newspaper publications and presentations are posted on Company's website ([www.shrigangindustries.com](http://www.shrigangindustries.com)). Various sections of the Company's website keep the investors updated on the key and material information of the Company by providing timely information like Board profile, press release, financial results, annual reports, shareholding pattern, stock information etc.

## 6. GENERAL SHAREHOLDERS' INFORMATION

### a. **Annual General Meeting**

<b>Date</b>	: 22.09.2023
<b>Time</b>	: 03:00 P.M.
<b>Venue</b>	: The Annual General Meeting is being held through Video Conferencing in accordance with the provisions of Circulars of Ministry of Corporate Affairs and the deemed venue will be Plot No. B-2/6 & 2/7, UPSIDC Industrial Area, Sandila Phase IV, Hardoi, Uttar Pradesh 241204.

b. **Financial Year** : 2022-2023

c. **Dividend Payment Date** : NA

d. **Book Closure date** : NA

e. **Name and address of Stock Exchanges at which shares of the Company are listed** : BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001

**Scrip Code** : BSE-523309

f. **ISIN**

**CDSL & NSDL** : INE241V01018

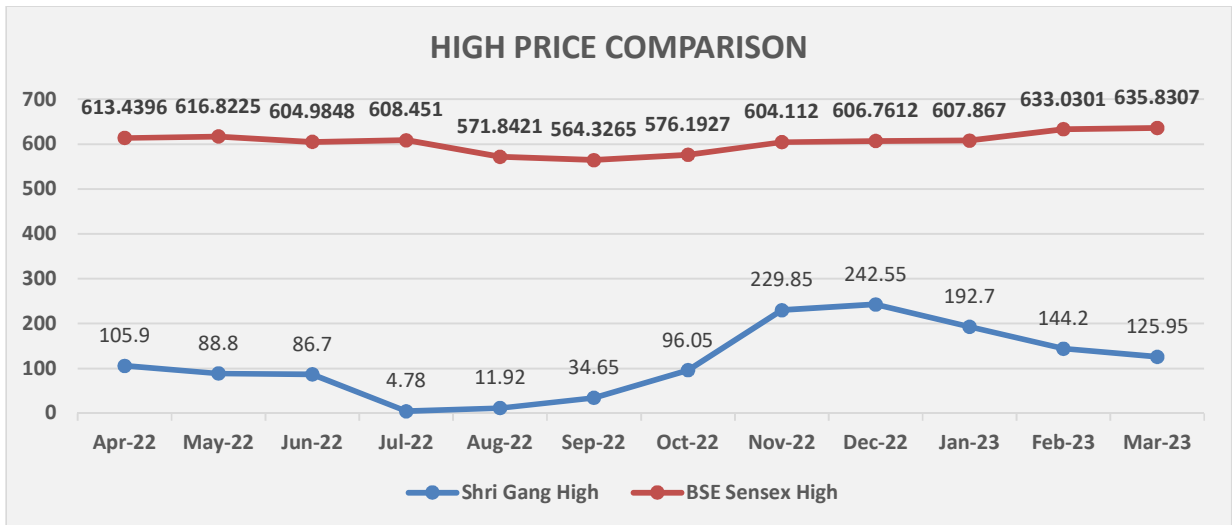
The Company has paid the listing fees for financial year 2022-23 to the Stock Exchange where the shares of Company are listed.

g. **Stock Market Data:** The shares of the Company are listed and traded only on BSE Limited.

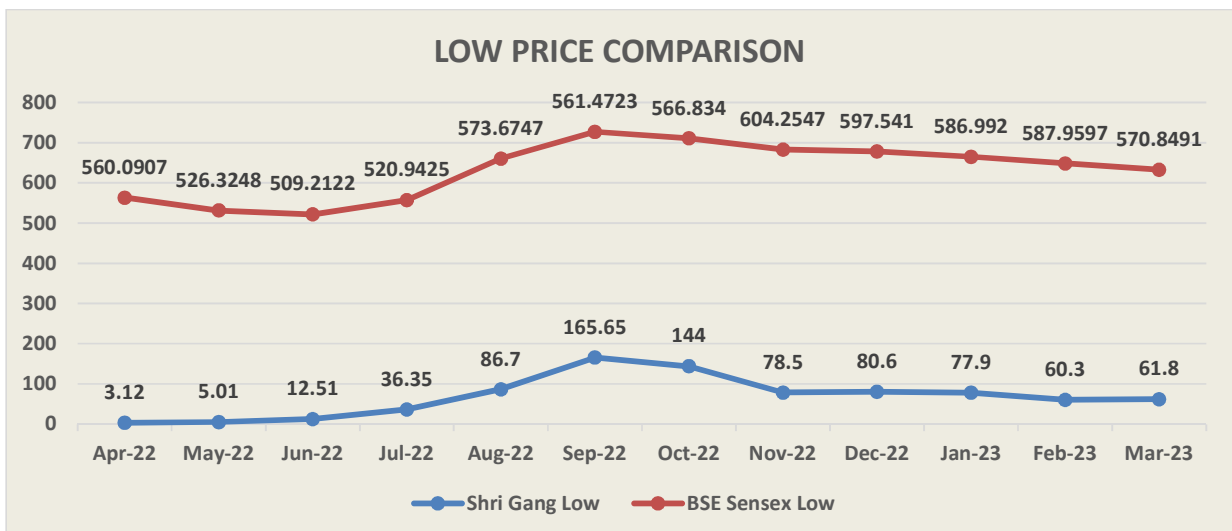
Month	High Price (INR)	Low Price (INR)	Volume (in number)
Apr-22	4.78	3.12	315
May-22	11.92	5.01	985

Jun-22	34.65	12.51	315
Jul-22	96.05	36.35	60384
Aug-22	229.85	86.7	180029
Sep-22	242.55	165.65	105152
Oct-22	192.7	144	26623
Nov-22	144.2	78.5	33733
Dec-22	125.95	80.6	45379
Jan-23	105.9	77.9	20696
Feb-23	88.8	60.3	23725
Mar-23	86.7	61.8	61023

#### h. SHARE PRICE PERFORMANCE IN COMPARISON TO BROAD BASED INDICES



*Base 100 is taken for BSE Sensex Data*



*Base 100 is taken for BSE Sensex Data*

#### i. Reasons for suspension of trading in equity shares

The shares of the Company are trading at BSE Limited.



#### j. Registrar and Transfer Agent

M/sBeetal Financial & Computer Services (P) Ltd is the Registrar and Share Transfer Agent of the Company, to whom communications regarding change of address, transfer of shares, change of mandate etc. can be addressed by the shareholders holding shares in the physical mode, as per the details mentioned below:

#### **BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD**

Address: Beetal House, 3<sup>rd</sup> Floor, 99 Madangir, New Delhi- 110062

Ph. No.: 011-29961281/82/83

E-mail ID: [beetalrta@gmail.com](mailto:beetalrta@gmail.com)

#### k. Share Transfer System

In terms of Regulation 40(1) of SEBI LODR, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form.

Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialization request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Stakeholders Relationship Committee Meetings.

#### **DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2023**

<b>Shareholding of Nominal value of Rs. 10</b>	<b>No. of Share holders</b>	<b>% of shareholders</b>	<b>No. of shares held</b>	<b>% of shareholding</b>
<b>1 to 5000</b>	12182	95.13	1737633	9.6912
<b>5001 to 10000</b>	383	2.99	316543	1.7654
<b>10001 to 20000</b>	125	0.97	186685	1.0412
<b>20001 to 30000</b>	42	0.32	107282	0.5983
<b>30001 to 40000</b>	13	0.10	44863	0.2502
<b>40001 to 50000</b>	12	0.09	54923	0.3063
<b>50001 to 100000</b>	10	0.07	65066	0.3629
<b>100001 to above</b>	38	0.29	15417005	85.9844

<b>Grand Total</b>	<b>11969</b>	<b>100.00</b>	<b>7930000</b>	<b>100.00</b>

## SHAREHOLDING PATTERN AS ON MARCH 31, 2023

<b>Sr. No.</b>	<b>Category of Shareholder</b>	<b>No. of fully paid Equity Share Held</b>	<b>Shareholding as a % of total no of Shares</b>	<b>No of Equity Shares Held in Dematerialized form</b>
<b>(A)</b>	<b>Promoter &amp; Promoter Group</b>	6733005	37.55	6144980
<b>(B)</b>	<b>Public (B1+B2+B3)</b>	11196995	62.45	8404385
<b>(B1)</b>	<b>Institutions</b>	133816	0.75	21116
	<b>Non Institutions</b>			
<b>(B2)</b>	<b>- Bodies Corporate</b>	6394111	35.66	6030211
<b>(B3)</b>	<b>- Others</b>	4669068	26.04	2353058
	<b>Total A+B</b>	<b>17930000</b>	<b>100.0000</b>	<b>14549365</b>

### I. Dematerialization of Shares and Liquidity

The Company has been allotted ISIN No. i.e. **INE241V01018** by CDSL and by NSDL.

As on the date of closure of Financial Year, 1,45,49,365 Equity Shares comprising 81.15% of the total shares were held in Dematerialised Form.

**m. Outstanding GDRs/ADRs/Warrants or Convertible Instruments, conversion Date and likely impact on Equity:** Not Applicable

#### n. Commodity Price Risks

The Company do not have any commodity price risks.

**o. Plant Location:** Plot No. B-2/6 & 2/7, UPSIDC Industrial Area, Sandila Phase IV, Hardoi, Uttar Pradesh.

#### p. Address for correspondence:

**Registered office:** Plot No. B-2/6 & 2/7, UPSIDC Industrial Area, Sandila Phase IV, Hardoi, Uttar Pradesh 241204.

**Corporate Office:** F-32/3, Ground Floor, Okhla Industrial Area, Phase-II, New Delhi-110020.  
Phone No- 011-42524499

## 7. OTHER DISCLOSURES

### (a) **Materially Significant Related Party Transactions:**

During the financial year 2022-23, all RPTs entered by the Company were in the ordinary course of business and in respect of transactions with related parties under Section 2(76) of the Companies Act, 2013, are at arm's length basis and there were no materially significant related party transactions i.e. transactions of the Company of material nature

with bodies Corporate including its subsidiaries, promoters, directors, management, and relatives, which may have potential conflict with the interests of Company at large. Members may refer to Disclosures of transactions with related parties i.e. Promoters, Directors, Relatives, or Management made in the Balance Sheet in Notes to the Accounts.

In terms of Regulation 23 of SEBI (LODR), the Company has formulated a policy on dealing with Related Party Transactions which is disclosed on Company's website (<https://www.shrigangindustries.com/policy.html>).

**(b) Accounting Standards:**

The Company has followed the Accounting Standards as laid down under the Companies Act, 2013.

**(c) Details of Non -Compliance:**

During the last three (3) years, there were no strictures or penalties imposed on the Company either by the Stock Exchanges or SEBI or any other statutory authority for non-compliance of any matter related to capital markets.

**(d) Details of Vigil Mechanism/ Whistle Blower Policy**

In term of Regulation 22 of SEBI (LODR) and pursuant to the provisions of Section 177(10) of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014, every listed company shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed and such vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee.

For the abovementioned purpose your company has created Vigil Mechanism/ Whistle blower mechanism, a mechanism for all Directors and employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism, under the auspices of Audit committee to provide protection and heard genuine concerns of employees and its directors and to make transparency and comply the code of conduct of the company efficiently and accurately.

The Policy act as a neutral and unbiased form to voice concerns in a reasonable and effective manner without fear of reprisal.

Your company has uploaded the Vigil Mechanism Policy which has disclosed on Company's website (<https://www.shrigangindustries.com/policy.html>).

Till the date audit committee has not received any complaint from its directors or employees and your Company is affirming that till the date no person has denied to access to Audit Committee.

**(e) Details of compliances with mandatory requirements of the SEBI (LODR)**

During the year, the Company had complied with all applicable mandatory corporate governance requirements of the SEBI (LODR). Specifically, your Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub regulation (2) of Regulation 46 of the SEBI LODR.

**(f) Adoption of the non-mandatory requirements as specified in Part E of Schedule II of SEBI Corporate Governance as prescribed under the SEBI (LODR) Regulations, 2015**

In addition to the mandatory requirements, the Company has also adopted the following non- mandatory requirements as prescribed in Regulation 27 of the SEBI LODR:

- The internal auditor directly reports to the Audit Committee.

**(g) Certificate on Corporate Governance:**

The Company has obtained **Certificate on Corporate Governance** as stipulated in Para E of Schedule V of **SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015** from Vijay Jain &Co., Company Secretary in Practice.

**(h) Prohibition of Insider Trading:**

In accordance with SEBI (Prohibition of Insider Trading) Regulation, 2015, the Board of Directors has adopted the Insider Trading policy for prevention of insider trading to be followed by Directors, Employees and other connected persons.

**(i) Policy on Material Subsidiary**

In term of Regulation 16 of SEBI LODR, the Company has formulated policy for material subsidiary which is disclosed on Company's website (<https://www.shrigangindustries.com/policy.html>).

**(j) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):**

The Preferential Issue Committee of the Board of Directors in its meeting held on July 09, 2022, issued 1,00,00,000 Equity Shares of Rs. 10/- each to the persons belonging to the Promoter & Promoter Group and Public Category, aggregating to Rs, 10,00,00,000/-, consequent to the approval of members in their EGM held on June 27, 2022.

The proceeds of the preferential issue were utilized to meet the funding and business-related requirements of the Company including but not limited to funding business growth, capital expenditure, expansion, repayment of loans and for other general corporate purposes in compliance with the objects stated in the notice of the EGM.

The uses/ application of proceeds/funds raised have been disclosed to the Board of Directors.

**(k) Loans and advances**

The Company has not given any loans and advances to firms/company in which directors are interested.

**(l) Certificate from Practicing Professional**

A Certificate from M/s Vijay Jain &Co., Company Secretary in Practice has been received certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

- (m)** M/s Pawan Shubham & Co. (Firm Registration Number: 011573C) has already been appointed as Statutory Auditor of the Company. The Total fees for all services paid by your company to such firm is Rs. 3,00,000/- per annum plus reimbursement of out of pocket expenses and GST.
- (n)** During the year under review, the Board has accepted the recommendations made by the various Board Committees constituted

**8. CEO AND CFO CERTIFICATION**

As the Company doesn't have any CEO as on date, Mr. Anil Kumar Gupta, Chief Financial Officer & Mr. Arun Kumar Sharma, Whole Time Director of the Company has signed & submitted the certificate, in terms of **Regulation 17(8) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015**, to the Board.

**9. MANAGEMENT DISCUSSION AND ANALYSIS**

A report on Management Discussion and Analysis is attached as a part of Corporate Governance Report in "**Annexure B**".

**10. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The company has not received any case pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year, nor any case is lying pending under the act.

**11. DETAILS OF MATERIAL SUBSIDIARIES**

The Company does not have any material subsidiary as per the provisions of SEBI LODR.

**12. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT**

There are no instances of any Non-Compliance of the Corporate Governance Report.

**13. DISCLOSURE ON LOANS OR ADVANCES**

There have been no loans or advances extended by the Company or its subsidiaries, which bear resemblance to loans, to any firms or companies where the Directors of the Company hold an interest.

**14. CREDIT RATINGS**

The Company was not required to take credit rating.

**15. EQUITY SHARES IN THE SUSPENSE ACCOUNT**

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI LODR, there were no shares which were lying pending in the suspense account as on March 31, 2023.

**16. CODE OF CONDUCT**

- i. The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The copies of Code of Conduct as applicable to Directors (including Senior Management of the Company) have been sent to all the Directors and Senior Management Personnel. The Code is also disclosed on the website of the Company (<https://www.shrigangindustries.com/investor-relations.html>).
- ii. The Members of the Board of Directors and Senior Management personnel have affirmed the compliance with the Code applicable to them during the financial year ended 31<sup>st</sup> March, 2023.

**17. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES.**

With reference to clause 5A of paragraph A of Part A of Schedule III of SEBI LODR, the Company has not entered into any such agreements.

**By Order of the Board  
For Shri Gang Industries and Allied Products Limited**

**Sd/-  
Arun Kumar Sharma  
Whole Time Director  
DIN:09008061**

**Sd/-  
Syed Azizur Rahman  
Director  
DIN: 00242790**

**Date: 25.08.2023**

**Place: New Delhi**

**DECLARATION AFFIRMING COMPLIANCE OF PROVISIONS OF THE CODE OF  
CONDUCT**

To the best of my knowledge and belief and on the basis of declarations given to me, I hereby affirm that all the Board members and the Senior Management Personnel have fully complied with the provisions of the Code of Conduct for Directors and Senior Management Personnel during the period ended March 31, 2023.

**Sd/-  
Arun Kumar Sharma  
Whole Time Director  
DIN: 09008061**

**CEO AND CFO CERTIFICATE**  
**(UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)**

To,  
**The Board of Directors,**  
**Shri Gang Industries and Allied Products Limited**

We hereby certify that:

- A. We have reviewed the financial statements including the cash flow statement of **Shri Gang Industries and Allied Products Limited** (“the Company”) for the year ended on March 31, 2023 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company’s affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- B. There are no transactions entered into by the Company during the year ended March 31, 2023, which are fraudulent, illegal or violative of the Company’s Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which we are aware and steps that have been taken to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee, wherever applicable.
- i. Significant changes in the internal control over financial reporting during the year;
  - ii. Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company’s internal control system over financial reporting.

**By Order of the Board**  
**For Shri Gang Industries and Allied Products Limited**

**Sd/-**  
**Anil Kumar Gupta**  
**Chief Financial Officer**

**Sd/-**  
**Arun Kumar Sharma**  
**Whole Time Director**

**Date:** 25.08.2023

**Place:** New Delhi

**Note:** As Company doesn’t have any CEO as on date, therefore, Mr. Arun Kumar Sharma, Whole Time Director and Mr. Anil Kumar Gupta, Chief Financial Officer of the company has been authorized by the Board to submit the certificate, in terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015, to the Board.



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
**M/s Shri Gang Industries and Allied Products Limited**  
**Plot No. B-2/6, 2/7, UPSIDC Industrial Area,**  
**Sandila, Phase IV, Hardoi, Uttar Pradesh- 241204**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s Shri Gang Industries and Allied Products Limited**, having CIN: **L01112UP1989PLC011004** and having registered office at **Plot No. B-2/6, 2/7, UPSIDC Industrial Area, Sandila, Phase IV, Hardoi, Uttar Pradesh- 241204** (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me / us by the Company, Directors & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment*
1.	Mr. Syed Azizur Rahman	00242790	14/06/2022
2.	Mr. Sanjay Kumar Jain	01014176	03/03/2022
3.	Mr. Vishal Singh	07500944	14/06/2022
4.	Ms. Seema Sharma	08728701	31/03/2020
5.	Mr. Arun Kumar Sharma	09008061	13/11/2021

\*the date of appointment is as per the MCA Portal.

Ensuring the eligibility of every Director for the appointment / continuity on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Vijay Jain & Co.**  
**Company Secretaries**

**Date:** 21.08.2023  
**Place:** New Delhi  
**UDIN:** A050242E00832705

**Sd/-**  
**Vijay Jain**  
**Proprietor**  
**M. No.: A50242**  
**CP No.: 18230**  
**Peer Review Certificate No.: 2241/2022**  
**Unique Code Number: S2017DE481800**

## **PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE**

**To the members of M/s Shri Gang Industries and Allied Products Limited**

We have examined the compliance of the conditions of Corporate Governance by **M/s Shri Gang Industries and Allied Products Limited ("the Company")** for the year ended on March 31, 2023 as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub- regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the company has complied with the conditions of Corporate Governance as stipulated in SEBI LODR for the year ended on March 31, 2023.

We further state that such compliances are neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Vijay Jain & Co.  
Company Secretaries**

**Date: 21.08.2023  
Place: New Delhi  
UDIN: A050242E00832705**

**Sd/-  
Vijay Jain  
Proprietor  
M. No.: A50242  
CP No.: 18230  
Peer Review Certificate No.: 2241/2022  
Unique Code Number: S2017DE481800**

## **INDEPENDENT AUDITOR'S REPORT**

**To The Members of SHRI GANG INDUSTRIES & ALLIED PRODUCTS LIMITED**

**Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the accompanying financial statements of **SHRI GANG INDUSTRIES & ALLIED PRODUCTS LIMITED ("the Company")**, which comprise the Balance Sheet as at 31<sup>st</sup> March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Cash Flows, the Statement of Changes in Equity for the year then ended, notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. In our opinion, there are no key audit matters to be communicated in our report.

### **Emphasis of Matter**

We draw attention to Note 48 to the financial statements which describe the impact of the restatements in accordance with IND AS-8 i.e. "Accounting Policies, Changes in Accounting Estimates and Errors", related to adjustment of amortization of right to use assets, restatement of loan received from and security deposit given to state financial institution at amortized costs and recognition of deferred tax assets.

Our opinion is not modified in respect of these matters.

### **Other Matter**

The financial statements of the Company for the year ended 31 March 2022 were audited by another auditor who had expressed an unmodified opinion on those financial statements vide their audit report dated 30 May 2022.

Our opinion is not modified in respect of this matter.

### **Information Other than the Financial Statements and Auditor's Report thereon**

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above, when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude, that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

### **Management's Responsibility for the Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income) the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure A**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations as at 31<sup>st</sup> March, 2023 on its financial position in its financial statements –Refer Note No- 36 of financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31<sup>st</sup> March, 2023.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March, 2023.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. As stated in Note No. 14 (f) to the financial statements, no dividend has been declared by the Company in current and previous years.
2. As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government in terms of sub-section (11) of Section 143 of the Act ("the Order"), we give in **Annexure B** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. In our opinion and as per information and explanations given to us, the managerial remuneration for the year ended 31<sup>st</sup> March 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 of the Act.

For **PAWAN SHUBHAM & CO.**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 011573C**

Sd/-  
**CA Krishna Kumar**  
**Partner**  
**Membership Number: 523411**  
**UDIN: 23523411BGWIHJ9275**

**Place: New Delhi**  
**Date: 29.05.2023**

## **Annexure “A” To The Independent Auditor’s Report**

### **Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**Referred to in paragraph 1(f) of the Independent Auditors’ Report of even date to the members of SHRI GANG INDUSTRIES & ALLIED PRODUCTS LIMITED on the Financial Statements for the year ended 31<sup>st</sup> March 2023**

We have audited the internal financial controls with reference to Financial Statements of **SHRI GANG INDUSTRIES & ALLIED PRODUCTS LIMITED** (“the Company”) as of 31<sup>st</sup> March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s Management and Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to Financial Statements.



## **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at 31<sup>st</sup> March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note Issued by the ICAI.

For **PAWAN SHUBHAM & CO.**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 011573C**

**Sd/-**  
**CA Krishna Kumar**  
**Partner**  
**Membership Number: 523411**  
**UDIN: 23523411BGWIHJ9275**

**Place: New Delhi**  
**Date: 29.05.2023**

## Annexure B to Independent Auditors' Report

### Referred to in paragraph 2 of the Independent Auditors' Report of even date to the members of SHRI GANG INDUSTRIES & ALLIED PRODUCTS LIMITED on the Financial Statements as of and for the year ended 31<sup>st</sup> March, 2023

In terms of the information and explanation sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report the following: -

- i) (a)(A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment and relevant details of right of use assets.  
  
(B) The Company has maintained proper records showing full particulars of intangible assets.  
  
(b) The Property, Plant and Equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the Property, Plant and Equipment and right of use assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.  
  
(c) The Company does not have any immovable property. Therefore, this clause is not applicable. However, the Company has leasehold land taken from UPSIDC for a lease term of 90 years.  
  
(d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) or intangible assets during the year.  
  
(e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) (a) The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year. No inventory is lying with third parties. No discrepancies of 10% or more in aggregate for each class of inventory were noticed.  
  
(b) The Company has not been sanctioned any working capital limits from banks. Therefore, this clause is not applicable.
- iii) During the year, the company has not made investments in, or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the reporting under clauses 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) are not applicable to the company.
- iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

- v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii) a) According to the records of the Company and information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing the undisputed statutory dues including goods and service tax, provident fund, employees state insurance, income tax, sale tax, service tax, duty of customs, duty of excise, value added tax, Cess and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at 31<sup>st</sup> March, 2023 for a period of more than six months from the date they became payable; except for the Deferred Trade Tax/ Vat amounting to Rs. 1252.09 Lakhs as mentioned in note no. 19 and 35 of these financial statements.

b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31<sup>st</sup> March, 2023 on account of disputes are given below:

Name of the Statute	Nature of the Due	Amount (₹ In lakhs)	Period to which the amount relates	Forum where dispute is pending
U.P. Trade Tax Act	VAT	467.03	2005-06	Trade Tax Tribunal
U.P. Vat Act	VAT	2.15	2009-10	Trade Tax Tribunal

- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c. According to the records of the Company examined by us and the information and explanation given to us, term loans taken by the Company were applied for the purpose for which they were obtained.
- d. On an overall examination of the financial statements of the Company, funds raised on short - term basis have been used during the year for long-term purposes by the Company, i.e for setting up of distillery unit.
- e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, associate or Joint venture.

- f. The Company has not raised any loans during the year on the pledge of securities held in its subsidiary, joint venture or associate company.
- x.a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has made private placement of shares in accordance with S.42 of the Companies Act, 2013 and funds have been utilised for the purpose for which funds have been raised.
- xi. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) No whistle-blower complaints were received by the Company during the year (and upto the date of this report) and hence reporting under clause 3(xi)(c) of the Order is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date.
- xv. During the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a),(b) and (c) of the Order is not applicable. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the current and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at

the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) There is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) There is no unspent CSR amount as at Balance Sheet date under section (5) of section 135 of the Act, pursuant to any ongoing project, hence, reporting under clause 3(xx)(b) of the Order is not applicable.

For **PAWAN SHUBHAM & CO.**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 011573C**

**Sd/-**  
**CA Krishna Kumar**  
**Partner**  
**Membership Number: 523411**  
**UDIN: 23523411BGWIHJ9275**

**Place: New Delhi**  
**Date: 29.05.2023**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2023**

INR In Lakh

Particulars		Note No.	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
			Audited	Restated	Restated
<b>ASSETS</b>					
<b>1.</b>	<b>Non-current assets</b>				
a.	Property, plant and equipment	3	10963.29	3409.21	3494.13
b.	Capital work-in-progress	4	26.32	5329.60	544.69
c.	Right of Use Assets	5	1355.92	1297.86	1313.16
d.	Intangible Assets		-	-	-
e.	Financial assets				
i.	Other Financial Assets	6	285.86	263.34	241.37
f.	Deferred tax assets (Net)	7	473.02	117.59	182.54
g.	Income Tax Assets (Net)	8	70.98	55.80	24.71
h.	Other non-current assets	9	84.05	386.56	746.81
			13259.44	10859.96	6547.41
<b>2.</b>	<b>Current assets</b>				
a.	Inventory	10	2311.79	482.56	363.22
b.	Financial assets				
i.	Trade Receivables	11	287.26	3.32	13.32
ii.	Cash and cash equivalents	12	110.03	715.77	41.99
c.	Other current assets	13	841.95	715.77	335.02
			3551.03	1276.06	753.55
	<b>TOTAL ASSETS</b>		<b>16810.47</b>	<b>12136.02</b>	<b>7300.96</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
a.	Equity Share capital	14	1793.00	793.00	793.00
b.	Other equity	15	(6269.30)	(7584.60)	(8058.47)
			4476.30	6791.60	7265.47
<b>Liabilities</b>					
<b>1.</b>	<b>Non-current liabilities</b>				
a.	Financial liabilities				
i.	Borrowings	16	7137.90	6673.90	3120.73
ii.	Lease liabilities	17	70.08	-	-
b.	Provisions	18	23.05	7.61	4.01
c.	Other non-current liabilities	19	1931.34	2371.71	2812.07
			9162.37	9053.22	5936.81
<b>2.</b>	<b>Current liabilities</b>				
a.	Financial liabilities				
i.	Borrowings	20	5298.97	4955.44	4482.89
ii.	Lease liabilities	21	9.43	-	-
iii.	Trade payables	22			
A.	Total outstanding dues of micro enterprises and small enterprises		262.78	15.16	24.00
B.	Total outstanding dues of creditors other than micro enterprises and small		2507.84	715.22	1479.20

	enterprises				
iv	Other Financial Liabilities	23	3394.28	3653.14	2133.28
b.	Other current liabilities	24	648.69	533.73	509.90
c.	Provisions	25	2.41	1.71	0.35
	<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>16810.47</b>	<b>12136.02</b>	<b>7300.96</b>

**Significant accounting policies**

**2**

**Other notes to account**

**3-50**

**The accompanying notes form an integral part of financial statements**

**As per our report of even date attached**

**For Pawan Shubham & Co.  
Chartered Accountants  
Firm Registration No: FRN-011573C**

**For and on the Behalf of Board of Directors  
Shri Gang Industries & Allied Products Limited**

**Sd/-  
(CA. Krishna Kumar)  
Partner  
Membership No.: 523411**

**Sd/-  
Arun Kumar Sharma  
(Whole Time Director)  
DIN- 09008061**

**Sd/-  
Syed Azizur Rahman  
(Director)  
DIN- 00242790**

**Place: Delhi  
Date: 29.05.2023**

**Sd/-  
Anil Kumar Gupta  
Chief Financial Officer  
PAN: AUTPG8098D**

**Sd/-  
Kanishka Jain  
Company Secretary  
M. No.: A54347**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2023**

INR in Lakhs

	Particulars	Note no.	For the year ended on 31st March 2023	For the year ended on 31st March 2022
			Audited	Restated
	<b>Income</b>			
I.	Revenue from operations	26	13868.17	8021.37
II.	Other income	27	57.03	132.67
III.	<b>Total revenue (I+II)</b>		<b>13925.20</b>	<b>8154.04</b>
IV.	<b>Expenses</b>			
	Cost of materials consumed	28	10534.76	5793.93
	Purchase of Traded goods		-	545.60
	Changes in inventories of finished goods, work in progress and stock-in-trade	29	(1187.63)	-
	Employee benefit expense	30	410.50	258.35
	Finance cost	31	535.45	230.54
	Depreciation and amortisation expense	32	346.58	163.95
	Other expenses	33	2325.13	624.71
	<b>Total expenses</b>		<b>12964.79</b>	<b>7617.08</b>
V.	<b>Profit/ (loss) before exceptional items (III-IV)</b>		<b>960.41</b>	<b>536.96</b>
VI.	<b>Tax expense</b>			
	a) Current Tax		-	-
	b) Deferred tax charge/ (credit)		<b>(355.58)</b>	<b>65.44</b>
	<b>Total Tax Expense</b>		<b>(355.58)</b>	<b>65.44</b>
VII.	<b>Profit/ (loss) for the year (V-VI)</b>		<b>1315.99</b>	<b>471.52</b>
VIII.	<b>Other comprehensive income</b>			
-	- Items that will not be reclassified to profit or loss		<b>(0.55)</b>	<b>1.88</b>
-	- Tax on above		<b>(0.14)</b>	<b>0.47</b>
	<b>Other Comprehensive income (net of Tax)</b>		<b>(0.69)</b>	<b>2.35</b>
IX.	<b>Total comprehensive income for the year net of Tax (VII+VIII)</b>		<b>1315.30</b>	<b>473.87</b>
X.	<b>Earnings per equity share (Basic &amp; Diluted)</b>	34		
	a) Basic		8.65	5.95
	b) Diluted		8.65	5.95
	Nominal value of equity shares		10.00	10.00

Significant accounting policies

2

Other notes to account

3-50

The accompanying notes form an integral part of financial statements

As per our report of even date attached

For Pawan Shubham & Co.

Chartered Accountants

Firm Registration No: FRN-011573C

For and on the Behalf of Board of Directors

Shri Gang Industries & Allied Products Limited



**Sd/-**  
**(CA. Krishna Kumar)**  
**Partner**  
**Membership No.: 523411**

**Place: Delhi**  
**Date: 29.05.2023**

**Sd/-**  
**Arun Kumar Sharma**  
**(Whole Time Director)**  
**DIN- 09008061**

**Sd/-**  
**Anil Kumar Gupta**  
**Chief Financial Officer**  
**PAN: AUTPG8098D**

**Sd/-**  
**Syed Azizur Rahman**  
**(Director)**  
**DIN- 00242790**

**Sd/-**  
**Kanishka Jain**  
**Company Secretary**  
**M. No.: A54347**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

INR in Lakh

Particulars	For the year ended on 31 MARCH 2023	For the year ended on 31 MARCH 2022
	Audited	Restated
<b>CASH FLOW FROM OPERATING</b>		
<b>A ACTIVITIES</b>		
Net Profit before Tax & Extraordinary items	<b>960.41</b>	536.96
<b>Add: Non cash and Non-operating items</b>		
Depreciation and amortization expenses	346.58	163.95
Finance Costs	481.00	183.74
Fair value measurements on amortization of assets / liabilities	54.45	-
Provision for Employee Benefits	15.60	-
<b>Less: Non cash and Non-operating items</b>		
Interest on bank deposits	(3.38)	(1.57)
Profit from sale of property, plant and equipment	-	(89.36)
Fair value measurements on amortization of assets / liabilities	(42.73)	-
<b>Operating Profit before Working Capital changes</b>	<b>1,811.93</b>	793.72
<b>Adjustments for: Movement in working capital</b>		
(Increase)/Decrease in Inventories	(1,829.23)	(119.34)
(Increase)/Decrease in Trade receivables	(283.94)	10.00
(Increase)/Decrease in other financial and non-financial assets	196.54	(42.47)
Increase/(Decrease) in Trade Payable	2,040.24	(772.82)
Increase/(Decrease) in other financial and non-financial assets	(628.57)	1,110.15
<b>Cash Generated from operations before extraordinary item and tax</b>	<b>1,306.97</b>	979.24
Less: Taxes Paid	15.18	31.09
<b>Net Cash from Operating Activities (A)</b>	<b>1,291.79</b>	948.15
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work-in-progress) (net)	(2,566.91)	(4,759.28)
Interest income	3.38	1.57
<b>Net Cash used in Investing Activities (B)</b>	<b>(2,563.53)</b>	(4,757.71)
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Movement in Borrowings	807.53	4,025.72
Increase in Share capital	1,000.00	-
Repayment of lease liabilities	(19.17)	-
Finance Costs (including fair value	(481.00)	(183.74)

measurements)			
<b>Net Cash received in financing Activities</b>	<b>(C)</b>	<b>1,307.36</b>	<b>3,841.98</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>(A+B+C)</b>	<b>35.62</b>	<b>32.42</b>
Cash & Cash Equivalents as at beginning of year		<b>74.41</b>	<b>41.99</b>
<b>Cash &amp; Cash Equivalents as at end of year</b>		<b>110.03</b>	<b>74.41</b>

Significant accounting policies 2  
Other notes to account 3-50  
The accompanying notes form an integral part of financial statements

As per our report of even date attached

For Pawan Shubham & Co.  
Chartered Accountants  
Firm Registration No: FRN-011573C

For and on the Behalf of Board of Directors  
Shri Gang Industries & Allied Products Limited

Sd/-  
(CA. Krishna Kumar)  
Partner  
Membership No.: 523411

Sd/-  
Arun Kumar Sharma  
(Whole Time Director)  
DIN- 09008061

Sd/-  
Syed Azizur Rahman  
(Director)  
DIN- 00242790

Place: Delhi  
Date: 29.05.2023

Sd/-  
Anil Kumar Gupta  
Chief Financial Officer  
PAN: AUTPG8098D

Sd/-  
Kanishka Jain  
Company Secretary  
M. No.: A54347

**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED ON 31<sup>ST</sup> MARCH 2023**

**A. Equity share capital**

Particulars	Balance as at 01 April, 2021	Change in Equity Share Capital during the year	Balance as at 31 March, 2022	Change in Equity Share Capital during the year	Balance as at 31 March, 2023
<b>Nos. of Shares</b>	7,930,000	-	7,930,000	10,000,000	17,930,000
<b>Amount in Lakhs</b>	793.00	-	793.00	1,000.00	1,793.00

Particulars	Balance as at 01 April, 2020	Change in Equity Share Capital during the year	Balance as at 31 March, 2021	Change in Equity Share Capital during the year	Balance as at 31 March, 2022
<b>Nos. of Shares</b>	7,930,000	-	7,930,000	-	7,930,000
<b>Amount in Lakhs</b>	793.00	-	793.00	-	793.00

**B. Other Equity (INR in lakhs)**

Particulars	Reserve and Surplus			Other Comprehensive Income	Total
	General Reserve	Capital Reserve	Retained Earnings		
<b>2021-22</b>					
<b>Balance as at 01 April, 2021</b>	<b>220.00</b>	<b>0.81</b>	<b>(8,321.89)</b>	<b>1.12</b>	<b>(8,099.96)</b>
Impact of restatement on account of errors	-	-	41.21	0.28	<b>41.49</b>
<b>Restated Balance as at 01 April, 2021</b>	<b>220.00</b>	<b>0.81</b>	<b>(8,280.68)</b>	<b>1.40</b>	<b>(8,058.47)</b>
Addition during the year	-	-	471.52	-	<b>471.52</b>
Other Comprehensive Income for the Year	-	-	-	2.35	<b>2.35</b>
<b>Balance as at 31 March, 2022</b>	<b>220.00</b>	<b>0.81</b>	<b>(7,809.16)</b>	<b>3.75</b>	<b>(7,584.60)</b>
<b>2022-23</b>					
Addition during the year	-	-	1,315.99	-	<b>1,315.99</b>
Other Comprehensive Income for the Year	-	-	-	(0.69)	<b>(0.69)</b>

<b>Balance as at 31 March, 2023</b>	<b>220.00</b>	<b>0.81</b>	<b>(6,493.17)</b>	<b>3.06</b>	<b>(6,269.30)</b>
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Significant accounting policies 2  
Other notes to account 3-50  
The accompanying notes form an integral part of financial statements

As per our report of even date attached

For Pawan Shubham & Co.  
Chartered Accountants  
Firm Registration No: FRN-011573C

For and on the Behalf of Board of Directors  
Shri Gang Industries & Allied Products Limited

Sd/-  
(CA. Krishna Kumar)  
Partner  
Membership No.: 523411

Sd/-  
Arun Kumar Sharma  
(Whole Time Director)  
DIN- 09008061

Sd/-  
Syed Azizur Rahman  
(Director)  
DIN- 00242790

Place: Delhi  
Date: 29.05.2023

Sd/-  
Anil Kumar Gupta  
Chief Financial Officer  
PAN: AUTPG8098D

Sd/-  
Kanishka Jain  
Company Secretary  
M. No.: A54347

## **NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31 MARCH 2023**

### **1. CORPORATE INFORMATION**

Shri Gang Industries and Allied Products Limited (hereinafter referred to as "SGIAPL" or "the Company") (CIN- L01112UP1989PLC011004) is a public limited company incorporated under the provisions of the Companies Act, 1956 having its registered office at Plot No. B-2/6 & 2/7, UPSIDC Industrial Area, Sandila Phase IV, Sandila Hardoi, Uttar Pradesh-241204, India and their corporate office at F-32/3, Ground Floor, Okhla Industrial Area, Phase- II, New Delhi-110020.

The Company was engaged in the business of manufacturing and Sale of Vanaspati, Refined Oils and Bakery Shortening. It manufactured these products under its brands, "Apna" and "Mr. Baker" through their plant situated at Sikandrabad, Uttar Pradesh (UP) and the sales were mainly in the State of Uttar Pradesh. The manufacturing activities at factory premises was suspended with effect from March 25, 2010 since the plant at Sikandrabad (UP) was quite old and required substantial capex towards technological up-gradation and addition of new equipment.

Due to this the company diversified into liquor business and set up Bottling Plant for Indian Made Foreign Liquor (IMFL) at Sandila, Dist. Hardoi, Uttar Pradesh which commenced commercial production in July 2020. The Company also set-up a Distillery unit as a backward integration of Bottling Plant. The Distillery unit commenced commercial production in September, 2022. The company is exclusively manufacturing IMFL for United Spirits Limited.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

#### **a. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April 2017, with transition date of 1st April 2016, pursuant to notification issued by Ministry of Corporate Affairs dated 16th February 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, the financial statements comply with Ind AS prescribed under section 133 of the Companies Act, 2013 (the "Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements upto and for the year ended on 31st March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended), as notified under section 133 of the Act (Previous Indian GAAP) and other relevant provisions of the Act.

The financial statements are prepared on the historical cost convention, except for certain financial instruments which are measured at fair value. Accounting policies have been consistently applied except where:

- i) A newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- ii) The Company presents an additional balance sheet at the beginning of the earliest comparative period when: it applies an accounting policy retrospectively; it makes a

retrospective restatement of items in its financial statements; or, when it reclassifies items in its financial statements, and the change has a material effect on the financial statements. All amounts are stated in Lakhs of Rupees, rounded off to two decimal places, except when otherwise indicated.

The financial statements were authorised for issue by the Board of Directors of the company on 29.05.2023.

#### **b. CURRENT VERSUS NON-CURRENT CLASSIFICATION**

All assets and liabilities are classified into current and non-current.

##### **Assets**

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within twelve months after the reporting period; or
- d) it is cash or cash equivalent unless it restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current assets

##### **Liabilities**

A Liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting period; or
- d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current liabilities.

#### **c. USE OF ESTIMATES**

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of Revenue, Expenses, Assets and Liabilities and disclosure of contingent liabilities at the end of the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

#### **d. PROPERTY, PLANT AND EQUIPMENT**

##### **Initial recognition and measurement**

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

- a) it is probable that future economic benefits associated with the item will flow to the entity; and
- b) the cost of the item can be measured reliably.

Property, Plant and Equipments ('PPE') are stated at cost of acquisition or construction including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management less accumulated depreciation and cumulative impairment losses & net of recoverable taxes (net of Cenvat and VAT credit wherever applicable).

Borrowing Cost attributable to acquisition, construction of qualifying assets is capitalized until such time as the assets are substantially ready for their intended use. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the management and are directly attributable to bringing the asset to its position, are also capitalised.

### **Subsequent Measurement**

Subsequent expenditure related to an item of PPE is added to its carrying amount or recognized as a separate asset, if appropriate and carrying amount of replacement parts is derecognized at its carrying value.

Spare parts or stores meeting the definition of PPE, either procured along with equipment or subsequently, are capitalized in the asset's carrying amount or recognized as separate asset, if appropriate. However, cost of day-to-day servicing are recognized in profit or loss as incurred. Cost of day-to-day service primarily include costs of labour, consumables, and cost of small spare parts.

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of Property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognized in profit or loss.

### **Transition to Ind AS**

For transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April, 2015 measured as per previous GAAP and use that carrying value as the deemed cost of Property, Plant & Equipment.

### **Depreciation / amortization**

- a. Depreciation on items of PPE is provided on straight line method in accordance with the useful life as specified in Schedule II to the Companies Act, 2013.
- b. Depreciation on additions to assets or on sale/discard of assets is calculated pro-rata from the date of such addition or up to the date of such sale / discard.
- c. Assets residual values and useful lives are reviewed and adjusted, at the end of each reporting period.

The following useful lives are applied:

<b>Asset Category</b>	<b>Useful Life</b>
<b>Building</b>	
----- Factory Buildings	30 years
----- Building (other than factory buildings)	60 years
----- Other (including temporary structure, etc.)	05 years
----- Leasehold Building Improvements	Over the lease



	period
<b>Plant and Equipment</b>	10-25 years
<b>Furniture and Fittings</b>	10 years
<b>Office Equipment</b>	5 years
<b>Computers</b>	
----- Servers and networks	06 years
----- End user devices viz. desktops, laptops, etc.	03 years

**e. CAPITAL WORK-IN-PROGRESS**

Capital Work in Progress comprises of Property, Plant and Equipment that are not ready for their intended use at the end of reporting period and are carried at cost. Cost includes related acquisition expenses, construction cost, borrowing cost capitalized and other direct expenditure. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of Property, Plant and Equipment. Costs are capitalised till the period of assets are substantially ready for their intended use. Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is substantially ready for its intended use.

**f. RIGHT OF USE ASSETS**

**Company as a Lessee**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain.

The company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

**Finance lease**

The Company has entered into land lease arrangement at various locations for a period of 90 years. In case of lease of land for 90 years and above, it is likely that such leases meet the criteria that at the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset. Accordingly, the Company has classified leasehold land as finance leases applying Ind AS 17. For such leases, the carrying amount of the right of-use asset at the date of initial application of Ind AS 116 is the carrying amount of the lease asset on the transition date as measured applying Ind AS 17. Leasehold land is amortised on a straight-line basis over the unexpired period of their respective lease. Leasehold improvements are depreciated on straight line basis over their initial agreement period.

**g. INTANGIBLE ASSETS**

Intangible assets with finite useful life are stated at cost of acquisition, less accumulated depreciation/ amortisation and impairment loss, if any. The cost of Intangible Assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities). Amortisation is recognised in Statement of Profit and Loss account on straight-line basis over estimated useful lives of respective intangible assets, but not exceeding useful lives given hereunder:

Asset Category	Useful Life
Computer Software	05 years

An item of Intangible Asset or any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between net disposal proceeds and carrying amount of the asset) is included in Statement of Profit and Loss Account when asset is derecognised.

## **h. FINANCIAL INSTRUMENTS**

### **1. Financial Assets**

#### **Initial recognition and measurement**

Financial Assets are recognised when the Company becomes a party to contractual provisions of Financial Instrument. Financial assets are initially measured at Fair Value. Transaction costs that are directly attributable to acquisition of financial assets (other than financial assets at Fair Value through Profit or Loss) are added to fair value of financial assets. Transaction costs directly attributable to acquisition of financial assets at Fair Value through profit or loss are recognised immediately in statement of Profit and Loss.

#### **Subsequent measurement**

#### **I. Debt Instruments at Amortised Cost**

A 'debt instrument' is measured at amortised cost if both of the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. All other debt instruments are measured at Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit and Loss (FVTPL) based on the Company's business model.

#### **II. Equity Investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through Profit and Loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at Fair

Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit and Loss (FVTPL) on an instrument-to-instrument basis.

### III. Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets that are debt instruments, and are measured at amortised cost e.g., Loans, Debt Securities, Deposits and Trade Receivables or any contractual right to receive cash or another financial asset that result from transactions that are within scope of Ind AS 115.

The Company follows 'Simplified Approach' for recognition of impairment loss allowance on trade receivables. Application of simplified approach recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12 month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized under the head 'Other Expenses' in the statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

**i. Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. This allowance reduces the net carrying amount.

**ii. Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Change in fair value is taken to the statement of Profit and Loss.

**iii. Debt instruments measured at FVTOCI:** Since financial assets are already reflected at Fair Value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'Accumulated Impairment Amount' in the Other Comprehensive Income (OCI). The Company does not have any Purchased or Originated Credit Impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

### IV. Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

i. The rights to receive cash flows from asset has expired, or  
ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement and either:

(a) The Company has transferred substantially all risks and rewards of the asset, or  
(b) The Company has neither transferred nor retained substantially all risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates, if and to what extent it has retained risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects rights and obligations that the Company has retained.

## 2. Financial liability

### Initial recognition and measurement

Financial liabilities are classified at initial recognition as:

- a. Financial liabilities at fair value through Profit or Loss
- b. Loans and Borrowings
- c. Payables

All financial liabilities are recognised initially at fair value and in case of loans and borrowings and payables, they are recognised net of directly attributable transaction costs.

### Subsequent measurement

Measurement of financial liabilities depends on their classification as below:

- a. **Financial liabilities at Fair Value Through Profit or Loss (FVTPL):** Gains or losses on liabilities are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.
- b. **Loans and Borrowings:** After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (hereinafter referred as EIR) method. Gains and Losses are recognised in statement of profit and loss when liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR amortisation is included as Finance Costs in the statement of profit and loss.
- c. **Trade and Other Payables:** These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid.

### Derecognition of Financial liability

A Financial Liability is de-recognised when obligation under the liability is discharged or cancelled or expires.

## i. INVESTMENTS

### Subsidiaries

As per Ind AS 27, Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investments in subsidiaries are carried at cost as per Ind AS 27.

### **Associates and Joint Ventures**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to net assets of joint venture. Joint control is contractually agreed sharing of control of an arrangement, which exists only when decisions about relevant activities require unanimous consent of parties sharing control.

An associate is an entity over which the Company has significant influence. Significant influence is power to participate in financial and operating policy decisions of investee but is not control or joint control over those policies.

Investment in joint ventures and associates are carried at cost as per Ind AS 27. Cost comprises price paid to acquire investment and directly attributable cost.

## **j. INVENTORY**

<b>S. No.</b>	<b>Particulars / Item Type</b>	<b>Method of Valuation</b>
1	Raw Material, Packing Material & Consumables (including in transit)	At Cost including direct procurement Overhead / Taxes.
2	Finished Goods (including in transit)	At cost or net realisable value, whichever is lower
3	Stock in process	At cost
4	By Products	At net realisable value
5	Loose Tools	At cost and charged off when discarded

In the above, cost is arrived at by FIFO cost method. In case of Finished Goods and Stock in Process, it also includes manufacturing & related establishment overheads, depreciation etc.

All the spares, which are primarily meant to be used for capitalization (except consumables and maintenance stores), are considered as part of the plant & machinery and shown accordingly.

## **k. CASH AND CASH EQUIVALENTS**

Cash and Cash Equivalents comprise Cash in Hand, Balances in Bank Account, Remittance in Transit, Cheques in hand and Demand Deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

## **l. TAXES**

### **Current Income Tax**

Current Income tax assets and liabilities are measured at amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside Profit and Loss is recognised outside profit and loss (either in Other Comprehensive Income or in Equity). Current tax items are recognised in correlation to underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### **Deferred Tax**

Deferred Income Taxes are calculated using Balance Sheet Approach, on temporary differences between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that temporary differences will not reverse in foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to extent that it is probable that taxable profit will be available against which deductible temporary differences and carry forward of unused tax credits and unused tax losses can be utilized.

Carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and same taxation authority.

Tax expense for the year comprises of current tax and deferred tax.

### **Indirect Taxes**

Expenses and Assets are recognised net of the amount of Indirect Taxes viz. GST/VAT, except when the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, indirect tax is recognised as part of cost of acquisition of asset or as part of expense item, as applicable.

### **Excise Duty**

Excise Duty has been accounted on the basis of both payments made in respect of goods cleared and also provision made for goods lying in factory premises. Cenvat credit is accounted on accrual basis on purchase of materials.

#### **m. REVENUE RECOGNITION**

##### **Revenue from contracts**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, incentive schemes, if any, as per contracts with customers. Taxes collected from customers on behalf of Government are not treated as Revenue.

##### **Interest Income**

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is rate that exactly discounts estimated future cash receipts through expected life of the financial asset to gross carrying amount of a financial asset. When calculating effective interest rate, the Company estimates expected cash flows by considering all contractual terms of financial instrument but does not consider expected credit losses.

##### **Other Income**

Other claims including interest on outstanding are accounted for when there is virtual certainty of ultimate collection.

#### **n. EMPLOYEE BENEFIT SCHEMES**

##### **Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months.

##### **Compensated Absences**

Company provides for encashment of accumulated leaves with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment/availment. The liability is provided based on number of days of unutilized leave at each Balance Sheet date on basis of an independent actuarial valuation.

##### **Gratuity**

Liabilities with regard to gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method. Actuarial gains and losses arising from changes in actuarial assumptions are recognized in Other Comprehensive Income and shall not be reclassified to the Statement of Profit and Loss in subsequent period.

##### **Provident Fund**

Eligible employees of the Company receive benefits from a Provident Fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to provident fund plan equal to a specified percentage of covered employee's salary.

## **o. FOREIGN CURRENCY**

### **Functional and presentation currency**

The management has determined the currency of the primary economic environment in which the company operates i.e., functional currency, to be Indian Rupee (INR). The financial statements are presented in Indian Rupee in lakhs, which is company's functional and presentation currency.

### **Transactions and balances**

Foreign Currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction in the functional currency. Foreign currency monetary assets and liabilities are translated at using the year-end exchange rate. Exchange gains and losses are duly recognised in the Statement of profit and loss. All monetary assets and liabilities in foreign currency are restated at the end of the accounting period.

## **p. EARNINGS PER SHARE**

- a. **Basic EPS** is calculated by dividing profit/ (loss) attributable to equity shareholders of the Company by weighted average number of equity shares outstanding during the period.
- b. **Diluted EPS** is computed using profit/ (loss) for the year attributable to shareholder' and weighted average number of equity and potential equity shares outstanding during the period, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

## **q. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with applicable Ind AS. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

### **Provisions**

Provisions represent liabilities to the Company for which amount, or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost.

### **Contingent Liabilities**

In normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which management of the Company has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Claims against the Company, where the possibility of any outflow of resources



in settlement is remote, are not disclosed as contingent liabilities. Show Cause Notices received are not treated as Contingent Liabilities. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

### **Contingent Assets**

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

#### **r. CASH FLOW STATEMENT**

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flows from operating, investing and financing activities of the Company are segregated based on available information.

#### **s. SEGMENT REPORTING**

The company has two business segments- Edible Oil Operations and Liquor Operations and segment-wise results, assets and liabilities are accordingly given.

#### **t. FAIR VALUE MEASUREMENT**

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement is based on presumption that transaction to sell asset or transfer liability takes place either:

- i. In the principal market for asset or liability, or
- ii. In absence of a principal market, in most advantageous market for asset or liability.

The principal or the most advantageous market must be accessible to the Company. Fair Value of an asset or liability is measured using assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using asset in its highest and best use or by selling it to another market participant that would use asset in its highest and best use.

The Company uses valuation techniques that are appropriate in circumstances and for which sufficient data are available to measure fair value, maximising use of relevant observable inputs and minimizing use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

**Level 1-** Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

**Level 2-** Valuation techniques for which lowest level input that is significant to fair value measurement is directly or indirectly observable.

**Level 3-** Valuation techniques for which lowest level input that is significant to fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**u. EXCEPTIONAL ITEMS**

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments of subsidiaries, associate and joint ventures and impairment losses/write down in the value of investment in subsidiaries, associates and joint ventures and significant disposal of fixed assets.

**Note No. 3:**

**Property, Plant and Equipment –**

Particulars	Buildings	Plant and Equipment	Furniture and Fixtures	Computers	Office Equipment	Total
<b>Gross Carrying Amount</b>						
As at 1 April 2021	2,163.53	1,478.23	19.39	28.27	10.29	<b>3,699.71</b>
Additions	-	63.67	4.89	6.28	2.54	<b>77.38</b>
Disposal / Adjustment	-	(13.65)	-	-	-	<b>(13.65)</b>
As at 31 March 2022	2,163.53	1,528.25	24.28	34.55	12.83	<b>3,763.44</b>
Additions	<b>2,183.93</b>	<b>5,615.70</b>	<b>42.89</b>	<b>17.58</b>	<b>10.09</b>	<b>7,870.19</b>
Disposal / Adjustment	-	-	-	-	-	-
As at 31 March 2023	<b>4,347.46</b>	<b>7,143.95</b>	<b>67.17</b>	<b>52.13</b>	<b>22.92</b>	<b>11,633.63</b>
<b>Depreciation and Impairment</b>						
As at 1 April 2021	105.51	93.02	1.10	4.15	1.80	<b>205.58</b>
Additions	70.18	65.81	0.22	10.23	2.21	<b>148.65</b>
Disposal / Adjustment	-	-	-	-	-	-
As at 31 March 2022	175.69	158.83	1.32	14.38	4.01	<b>354.23</b>
Additions	<b>103.41</b>	<b>191.78</b>	<b>4.11</b>	<b>13.53</b>	<b>3.28</b>	<b>316.11</b>
Disposal /	-	-	-	-	-	-

Adjustment As at 31 March 2023	<b>279.10</b>	<b>350.61</b>	<b>5.43</b>	<b>27.91</b>	<b>7.29</b>	<b>670.34</b>
<b>Net Carrying Value</b> As at 31 March 2023	<b>4,068.36</b>	<b>6,793.34</b>	<b>61.74</b>	<b>24.22</b>	<b>15.63</b>	<b>10,963.29</b>
As at 31 March 2022	1,987.84	1,369.42	22.96	20.17	8.82	<b>3,409.21</b>
As at 1 April 2021	2,058.02	1,385.21	18.29	24.12	8.49	<b>3,494.13</b>

**Notes-**

(a) Refer note 16 and 19 for details of property, plant and equipment pledged as security against borrowings and deferred liability.

**Note 4 Capital Work in Progress (CWIP)**

*(INR in lakhs)*

**(A) The changes in carrying value of Capital Work in Progress are as follows:**

Particulars	Buildings	Plant and Equipments	Furniture and Fixtures	Office Equipments	Preoperative expenses pending allocation	Total
<b>As at 1 April 2021</b>	46.26	-	-	-	498.43	<b>544.69</b>
Additions	860.09	3,523.73	2.27	4.52	394.30	<b>4,784.91</b>
Transfer to PPE / ROU	-	-	-	-	-	-
<b>As at 31 March 2022</b>	<b>906.35</b>	<b>3,523.73</b>	<b>2.27</b>	<b>4.52</b>	<b>892.73</b>	<b>5,329.60</b>
Additions	<b>96.15</b>	<b>204.42</b>	<b>0.65</b>	<b>1.11</b>	-	<b>302.33</b>
Transfer to PPE / ROU*	<b>(1,002.50)</b>	<b>(3,703.59)</b>	<b>(2.27)</b>	<b>(4.52)</b>	<b>(892.73)</b>	<b>(5,605.61)</b>
<b>As at 31 March 2023</b>	-	<b>24.56</b>	<b>0.65</b>	<b>1.11</b>	-	<b>26.32</b>

\*The company has commenced the commercial production of Extra Neutral Alcohol in the Distillery Unit with effect from September 28, 2022. Accordingly, CWIP transferred to PPE to respective heads from September 28, 2022.

**Capital Work- in Progress (CWIP) ageing schedule as at 31st March, 2023 is as follows:**

**(B)**

*(INR in lakhs)*

Capital Work in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Buildings	-	-	-	-	-
Plant and Equipments	<b>204.42</b>	-	-	-	<b>204.42</b>
Furniture and Fixtures	<b>0.65</b>	-	-	-	<b>0.65</b>
Office Equipments	<b>1.11</b>	-	-	-	<b>1.11</b>

Preoperative expenses pending allocation	-	-	-	-	-
<b>Total</b>	<b>206.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>206.18</b>

(C) Capital Work- in Progress (CWIP) ageing schedule as at 31st March, 2022 is as follows:

Capital Work in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Buildings	906.35	-	-	-	<b>906.35</b>
Plant and Equipments	3,523.73	-	-	-	<b>3,523.73</b>
Furniture and Fixtures	2.27	-	-	-	<b>2.27</b>
Office Equipments	4.52	-	-	-	<b>4.52</b>
Preoperative expenses pending allocation	892.73	-	-	-	<b>892.73</b>
<b>Total</b>	<b>5,329.60</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,329.60</b>

(D) Addition in Capital work-in-progress includes borrowing cost capitalised in accordance with Ind AS - 23 on "Borrowing Cost":

Capital Work in Progress (CWIP)	As at 31 March 2023	As at 31 March 2022
Buildings	<b>96.15</b>	185.30
Plant and Equipments	<b>179.86</b>	139.17
<b>Total</b>	<b>276.01</b>	324.47

**Notes:**

(a) Refer note 36 for contractual commitments as on the date of financial statements.

**Note 5 Right of Use Assets (ROU Assets)**

*(INR in lakhs)*

Changes in the carrying value of Right of Use assets are as follows:

Particulars	Leasehold Building	Lease hold Land	Total
<b><u>Gross Carrying Amount</u></b>			
<b>As at 1 April 2021</b>	-	1,377.34	<b>1,377.34</b>
Additions	-	-	-
Disposal / Adjustment	-	-	-
<b>As at 31 March 2022</b>	-	<b>1,377.34</b>	<b>1,377.34</b>
Additions	<b>88.54</b>	-	<b>88.54</b>
Disposal / Adjustment	-	-	-
<b>As at 31 March 2023</b>	<b>88.54</b>	<b>1,377.34</b>	<b>1,465.88</b>
<b><u>Depreciation and Impairment</u></b>			
<b>As at 1 April 2021</b>	-	64.18	<b>64.18</b>
Additions	-	15.30	<b>15.30</b>
Disposal / Adjustment	-	-	-
<b>As at 31 March 2022</b>	-	<b>79.48</b>	<b>79.48</b>
Additions	<b>15.18</b>	<b>15.30</b>	<b>30.48</b>

Disposal / Adjustment	-	-	-
<b>As at 31 March 2023</b>	<b>15.18</b>	<b>94.78</b>	<b>109.96</b>

### **Net Carrying Value**

<b>As at 31 March 2023</b>	<b>73.36</b>	<b>1,282.56</b>	<b>1,355.92</b>
<b>As at 31 March 2022</b>	-	1,297.86	<b>1,297.86</b>
<b>As at 01 April 2021</b>	-	1,313.16	<b>1,313.16</b>

#### **Notes:**

(a) Refer note 16 and 19 for details of property, plant and equipment pledged as security against borrowings and deferred liability.

### **Note 6 Other Financial Assets**

(INR in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Bank deposits (due for maturity after twelve months from the reporting date)*	<b>25.35</b>	29.42	28.62
Interest Accrued on Bank deposits above (net of tds)	<b>1.65</b>	2.79	1.38
<b>Security Deposits</b>	-		
- to PICUP **	<b>194.80</b>	172.88	153.42
- to others	<b>64.06</b>	58.25	57.95
<b>Total</b>	<b>285.86</b>	263.34	241.37

\*Out of the above, FDRs of Rs. 23.00 Lakh (PY Rs. 25 lakhs) are under lien with bank as margin money towards bank guarantee given to Excise Commissioner, Uttar Pradesh and FDRs of Rs 2.35 lakh (PY Rs. 4.42 lakhs) are pledged with Excise Commissioner, Uttar Pradesh for various licenses/bonds).

\*\* Given to PICUP in pursuance to UP Govt. order dated 29.12.2016 for re-schedulement of deferred dues, and is liable for forfeiture if the terms of re-scheduled repayment is not adhered. Refer note 35.

\*\*Outstanding undiscounted value of security deposits given to PICUP is Rs. 346.92 lakhs (PY Rs. 346.92 lakhs).

### **Note 7 Deferred Tax Assets / (Liability)**

(INR in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
<b>Deferred Tax Asset :</b>			
Unabsorbed depreciation	<b>284.75</b>	278.41	278.41
Brought forward business losses	<b>602.69</b>	-	-
Liabilities / provisions that are deducted for tax purposes when paid	<b>31.72</b>	32.90	36.88
Right of use assets	<b>5.39</b>	20.00	16.15
Other timing differences	<b>52.78</b>	38.28	43.18
Defined benefit obligations	<b>0.62</b>	0.76	0.28
<b>Total Deferred Tax Asset</b> (A)	<b>977.95</b>	370.35	374.90
<b>Deferred Tax Liability :</b>			
Depreciation / amortization on	<b>468.24</b>	204.92	132.74

PPE			
Other timing differences		36.69	47.84
<b>Total Deferred Tax Liability</b>	<b>(B)</b>	<b>504.93</b>	252.76
<b>Total Deferred Tax Asset / (Liability) (A-B)</b>		<b>473.02</b>	117.59

Refer note 37 for movement of deferred tax assets and liabilities.

#### Note 8 Income Tax Assets

(INR in lakhs)

Particulars	As at	As at	As at
	31 March 2023	31 March 2022	01 April 2021
Income tax refundable	70.98	55.80	24.71
<b>Total</b>	<b>70.98</b>	55.80	24.71

Refer note 38 for reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes.

#### Note 9 Other Non-Current Assets

(INR in lakhs)

Particulars	As at	As at	As at
	31 March 2023	31 March 2022	01 April 2021
Capital Advances	-	280.58	618.90
Deferred Expenditure on amortization of financial assets	84.05	105.98	127.91
<b>Total</b>	<b>84.05</b>	386.56	746.81

#### Note 10 Inventories

(INR in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Raw Material (Including in-transit)			
- Spirit	892.65	448.30	330.75
- Grain	153.74	-	-
	<b>1,046.39</b>	448.30	330.75
Work-in-process	96.33	-	-
Finished Goods	1,002.10	5.19	5.19
By-Products	94.39	-	-
Packing Material and Consumables	72.58	29.07	27.28
<b>Total</b>	<b>2,311.79</b>	482.56	363.22

#### Note 10.1 The above includes Goods-In-Transit as under:

(INR in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Raw Material (Including in-transit)			

- Spirit	-	150.40	-
<b>Total</b>	-	150.40	-

**Note 10.2** Refer note 16 and 19 for details of hypothecation.

**Note 11 Trade Receivables**

*(INR in lakhs)*

<b>Particulars</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>	<b>As at 01 April 2021</b>
Secured, Considered Good	-	-	-
Unsecured, Considered Good	287.26	3.32	13.32
Receivables having Significant Increase in Credit Risk	-	-	-
Receivables Credit Impaired	-	-	-
<b>Total Trade Receivables (Gross)</b>	<b>287.26</b>	<b>3.32</b>	<b>13.32</b>
Less: Expected Credit Loss (ECL)	-	-	-
<b>Total</b>	<b>287.26</b>	<b>3.32</b>	<b>13.32</b>

**Note 11.1 Trade Receivables Ageing Schedule**

**(A) Trade Receivables Ageing Schedule as at 31 March, 2023**

<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>					<b>Total</b>
	<b>&lt; 6 months</b>	<b>6 months -1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
(i) Undisputed Trade Receivable, considered good	287.26	-	-	-	-	287.26
(ii) Undisputed Trade Receivable, considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable, considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivable, considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>287.26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>287.26</b>

**(B) Trade Receivables Ageing Schedule as at 31 March, 2022**

<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>					<b>Total</b>
	<b>&lt; 6 months</b>	<b>6 months -1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
(i) Undisputed Trade Receivable, considered good	-	3.32	-	-	-	3.32
(ii) Undisputed Trade Receivable, considered	-	-	-	-	-	-

doubtful						
(iii) Disputed Trade Receivable, considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivable, considered doubtful	-	-	-	-	-	-
<b>Total</b>	-	<b>3.32</b>	-	-	-	<b>3.32</b>

**Note 12 Cash and Cash Equivalents**

*(INR in lakhs)*

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Balance with banks:			
In Current Accounts	<b>80.25</b>	62.02	13.05
Cash in Hand	<b>29.78</b>	12.39	28.94
<b>Total</b>	<b>110.03</b>	74.41	41.99

**Note 13 Other current assets**

*(INR in lakhs)*

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
GST Recoverable	<b>641.89</b>	581.19	172.80
Advance given to Suppliers	<b>113.52</b>	38.73	104.14
Deferred Expenditure on amortization of financial assets	<b>21.93</b>	21.93	21.93
Prepaid Expenses	<b>64.61</b>	73.92	36.15
<b>Total</b>	<b>841.95</b>	715.77	335.02

**Note 14 Equity Share Capital**

*(INR in lakhs)*

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
<b>Authorised share capital</b>			
3,00,00,000 (Previous Year 85,00,000) Equity Shares of Rs. 10/- each	<b>3,000.00</b>	850.00	850.00
	<b>3,000.00</b>	850.00	850.00
<b>Issued. Subscribed &amp; Paid-up</b>			
1,79,30,000 (Previous Year 79,30,000) Equity Shares of Rs. 10/- each	<b>1,793.00</b>	793.00	793.00
	<b>1,793.00</b>	793.00	793.00

**a) Details of reconciliation of the number of equity shares outstanding:**

Particulars	31 March 2023		31 March 2022	
	Number	Rs. In lakhs	Number	Rs. In lakhs
Shares outstanding at the beginning of the year	<b>7,930,000</b>	<b>793.00</b>	7,930,000.00	793.00



Add: Shares issued during the year	10,000,000	1,000.00	-	-
<b>Shares outstanding at the end of the year</b>	<b>17,930,000</b>	<b>1,793.00</b>	7,930,000.00	793.00

**Details of shares in the Company held by each shareholder holding more than 5 b) percent shares:**

Name of the shareholder	31 March 2023		31 March 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Suraj Gupta	723,065	4.03%	723,065	9.12%
Anita Gupta	1,136,780	6.34%	586,780	7.40%
Five Roses Projects Private Limited	1,311,500	7.31%	1,311,595	16.54%
Asha Mittal	1,344,740	7.50%	594,750	7.50%
Som Credinvest Private Limited	1,550,000	8.64%	-	-
Agarni Leasing & Finance Private Limited	1,550,000	8.64%	-	-
Hallow Securities Private Limited	1,181,000	6.59%	-	-
Suraj Industries Limited	3,600,000	20.08%	-	-
	<b>12,397,085</b>	<b>69.14%</b>	3,216,190	40.56%

**Promoter's Shareholding as at 31 March 2023 and percentage change in shareholding c) during the year as compared to previous year is as follows:**

Name of the Promoters	31 March 2023		31 March 2022		% Change
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Suraj Prakash Gupta	723,065	4.03%	723,065	9.12%	-5.09%
Suraj Industries Limited	3,600,000	20.08%	-	0.00%	20.08%
Anita Gupta	1,136,780	6.34%	586,780	7.40%	-1.06%
Ritesh Gupta	269,800	1.50%	269,800	3.40%	-1.90%
Vikas Gupta	130,000	0.73%	130,000	1.64%	-0.91%
Anju Arora	125,000	0.70%	125,000	1.58%	-0.88%
Gurcharan Dass Arora	110,000	0.61%	110,000	1.39%	-0.77%
Ashok Gupta	98,825	0.55%	98,825	1.25%	-0.70%
Nishi Arora	96,400	0.54%	96,100	1.21%	-0.67%
Shailesh Gupta	95,325	0.53%	95,325	1.20%	-0.67%
Universal Share Trading & Consultancy Co. Ltd.	95,000	0.53%	95,000	1.20%	-0.67%
Ajay Gupta	94,500	0.53%	94,500	1.19%	-0.66%
Sidharth Gupta	92,000	0.51%	92,000	1.16%	-0.65%
Parveen Kumari	66,300	0.37%	66,300	0.84%	-0.47%
Vinod Gupta	10	0.00%	310	0.00%	0.00%

**d) Terms / rights attached to Equity shares:**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to the approval of shareholders except in case of interim dividend. In event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amount in proportion of their shareholding.

- e) The Company has not issued any shares for consideration other than cash or as bonus shares, nor any shares had been brought back during the year.
- f) The Company has not declared any dividends in the current year or preceding year.

**Note 15 Other Equity**

*(INR in lakhs)*

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
General Reserve	220.00	220.00	220.00
Capital Reserve	0.81	0.81	0.81
Retained Earnings	(6,493.17)	(7,809.16)	(8,280.68)
Other Comprehensive Income	3.06	3.75	1.40
<b>Total</b>	<b>(6,269.30)</b>	<b>(7,584.60)</b>	<b>(8,058.47)</b>

**Note 16 Borrowings Non-current**

*(INR in lakhs)*

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
<b>Secured</b>			
<b>Term Loan</b>			
From financial Institution in lieu of deferred Trade Tax (Refer note 16.1)	161.27	183.49	203.22
Less: Amount of Current Maturity	(44.60)	(44.60)	(44.60)
<b>(A)</b>	<b>116.67</b>	<b>138.89</b>	<b>158.62</b>
From Body Corporates (Refer note 16.2)	1,529.65	1,000.00	-
Less: Amount of Current Maturity	(593.05)	(181.80)	-
<b>(B)</b>	<b>936.60</b>	<b>818.20</b>	<b>-</b>
<b>Unsecured</b>			
<b>Business loans</b> (Refer note 16.3)			
From Body Corporates	520.00	25.00	-
From Related Party	780.30	0.30	-
From NBFC	5,784.33	5,691.51	2,962.11
Less: Amount of Current Maturity	(1,000.00)	-	-
<b>(C)</b>	<b>6,084.63</b>	<b>5,716.81</b>	<b>2,962.11</b>
<b>Total (A+B+C)</b>	<b>7,137.90</b>	<b>6,673.90</b>	<b>3,120.73</b>

**Note 16.1** Interest Free loan given by Pradeshiya Industrial & Investment Corporation of U.P. Ltd (PICUP) in lieu of deferred trade tax. This loan is secured by way of a charge on the entire immovable and movable assets of the company situated at A-26, UPSIDC Industrial Area, Sikandrabad (UP). Loan is repayable in 10 annual installments w.e.f 29.12.2018. Refer note 35 for details. The undiscounted value of the loan outstanding is Rs. 223.00 lakhs (PY Rs. 267.60 lakhs).

**Note 16.2** Secured by way of Hypothecation of Factory Building including Bottling hall, Finished Goods Godown, etc and plant and Equipment in respect of IMFL Bottling unit, GENA distillation plant with boiler and other related plants, ENA storage warehouse tanks capital work in progress related to manufacturing unit situated on Plot No. B-2/6 & B-2/7, UPSIDC Industrial Area, Phase IV, Sandila, Dist. Hardoi (UP). Interest rate- 9% p.a. Repayable in 36 equal monthly installments commencing from September 2022.

**Note 16.3** A) Loans from body corporates are repayable at the end of 3 years from their receiving date. These loans carry a interest rate varying from 6-9%.

B) Loans from related party carry interest rate of 6% and repayable at the end of 3 years from their receiving date.

C) Loans from NBFC carry interest rate ranging from 4-9%. These are repayable at the end of 3 years from their receiving date.

**Note 16.4** Refer note 43 for related party disclosures.

**Note 17 Lease liability - Non current**

*(INR in lakhs)*

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Lease liability	70.08	-	-
<b>Total</b>	<b>70.08</b>	-	-

**Note 18 Provisions - Non current**

*(INR in lakhs)*

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Gratuity	11.87	4.77	1.70
Compensated Absences	11.18	2.84	2.31
<b>Total</b>	<b>23.05</b>	7.61	4.01

Refer note 25.1 and 25.2 for movement of provisions and current and non-current classification.

**Other non-current**

**Note 19 liabilities**

*(INR in lakhs)*

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
<b>Deferred Payments</b>			
1)Deferred Trade Tax/VAT (Secured)*	1,252.09	1,604.89	1,957.69
Less: Amount of Current Maturity	(352.80)	(352.80)	(352.80)
<b>(A)</b>	<b>899.29</b>	1,252.09	1,604.89
2)UPSIDC - Deferred Payment towards leasehold land**	711.66	711.66	711.66
Less: Amount of Current Maturity	-	-	-
<b>(B)</b>	<b>711.66</b>	711.66	711.66
3) Defered Power Charges (Unsecured)***	307.38	374.14	440.89
Less: Amount of Current Maturity	(66.75)	(66.75)	(66.75)
<b>(C)</b>	<b>240.63</b>	307.39	374.14
4) Deferred income on amortization of financial liability	100.57	121.38	142.19
Less: Amount of Current Maturity	(20.81)	(20.81)	(20.81)
<b>(D)</b>	<b>79.76</b>	100.57	121.38
<b>Total (A+B+C+D)</b>	<b>1,931.34</b>	2,371.71	2,812.07

\*These deferred amounts are interest free and repayable in 10 annual equal installments w.e.f 29.12.2018 and are secured by way of a charge on the entire immoveable and movable assets

of the company situated at A-26, UPSIDC Industrial Area, Sikandrabad (UP). Refer note 35 for details.

\*\*To be paid in 11 half yearly installments w.e.f. 01.01.2018 with interest @14% p.a. on the outstanding balance. However, Company is in the process of renegotiating the terms of repayment and accordingly no amount was paid in current as well as last year.

\*\*\*These deferred amounts are interest free and repayable in 10 equal annual installments w.e.f 29.12.2018. Refer note 35 for details.

<b>Note 20 Borrowings-Current</b>		<b>(INR in lakhs)</b>		
<b>Particulars</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>	<b>As at 01 April 2021</b>	
<b>Secured</b>				
Current Maturities of long Term Debt- PICUP	<b>44.60</b>	44.60	44.60	
Current Maturities of long Term Debt from Body Corporates	<b>593.05</b>	181.80	-	
<b>(A)</b>	<b>637.65</b>	226.40	44.60	
<b>Unsecured</b>				
<b>Business Loans</b>				
From related parties*	<b>244.80</b>	938.25	520.00	
From Body Corporates	<b>2,941.52</b>	3,565.79	3,677.29	
From NBFC	<b>475.00</b>	225.00	241.00	
Current Maturities of long Term Debt from NBFC	<b>1,000.00</b>	-	-	
<b>(B)</b>	<b>4,661.32</b>	4,729.04	4,438.29	
<b>Total (A+B)</b>	<b>5,298.97</b>	4,955.44	4,482.89	

\*Refer note 43 for related party disclosures.

**Note 21 Lease liability – Current** **(INR in lakhs)**

<b>Particulars</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>	<b>As at 01 April 2021</b>
Lease liability	<b>9.43</b>	-	-
<b>Total</b>	<b>9.43</b>	-	-

**Note 22 Trade Payables** **(INR in lakhs)**

<b>Particulars</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>	<b>As at 01 April 2021</b>
Outstanding dues of micro enterprises and small enterprises	<b>262.78</b>	15.16	24.00
Outstanding dues of creditors other than micro enterprises and small enterprises	<b>2,507.84</b>	715.22	1,479.20
<b>Total</b>	<b>2,770.62</b>	730.38	1,503.20

**Note 22.1 Trade Payables ageing schedule****(A) Trade payable ageing schedule as at 31st March 2023**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	262.78	-	-	-	262.78
(ii) Others	2,360.85	0.38	2.10	144.51	2,507.84
(iii) Disputes Dues- MSME	-	-	-	-	-
(iv) Disputes Dues- Others	-	-	-	-	-
<b>Total</b>	<b>2,623.63</b>	<b>0.38</b>	<b>2.10</b>	<b>144.51</b>	<b>2,770.62</b>

**(B) Trade payable ageing schedule as at 31st March 2022**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	15.16	-	-	-	15.16
(ii) Others	509.38	2.48	0.95	202.41	715.22
(iii) Disputes Dues- MSME	-	-	-	-	-
(iv) Disputes Dues- Others	-	-	-	-	-
<b>Total</b>	<b>524.54</b>	<b>2.48</b>	<b>0.95</b>	<b>202.41</b>	<b>730.38</b>

**Note 22.2 Information as required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)\***

Particulars	As at 31 March 2023	As at 31 March 2022
a) Amount remaining unpaid to supplier covered under MSMED Act at the end of the year		
-Principal	262.78	15.16
-Interest	-	-
<b>-Total</b>	<b>262.78</b>	<b>15.16</b>
b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
d) The amount of interest accrued and remaining unpaid at the end of the year.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act.	-	-
f) The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period.	-	-

*\*This information has been determined to the extent such parties have been identified on the basis of information available with the company.*

**Note 23 Other Financial Liabilities***(INR in lakhs)*

Particulars	As at 31	As at 31	As at 01
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	March 2023	March 2022	April 2021
Security Deposits Received	205.00	101.50	101.50
Advance received from debtors	158.39	420.03	612.02
Retention money	4.07	3.86	0.49
Capital Creditors	1,214.73	1,251.40	50.05
Employee benefits payable	48.85	21.58	24.09
<b>Interest Payable:</b>			
---Payable of UPSIDC for Deferred Payment towards leasehold land	430.55	330.92	254.89
---Interest Payable on business loans	1,245.83	1,456.88	1,033.64
---Interest Payable to related parties	86.86	66.97	56.60
<b>Total</b>	<b>3,394.28</b>	<b>3,653.14</b>	<b>2,133.28</b>

Refer note 43 for related party disclosures.

#### Note 24 Other Current Liabilities

(INR in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
<b>Current maturities of deferred liabilities</b>			
---Deferred Trade tax / VAT	352.80	352.80	352.80
---Deferred Power Charges	66.75	66.75	66.75
---Deferred income on amortization of financial liability	20.81	20.81	20.81
<b>Other Payables:</b>			
Statutory liabilities	165.14	78.44	44.52
Expenses payable	43.19	14.93	25.02
<b>Total</b>	<b>648.69</b>	<b>533.73</b>	<b>509.90</b>

#### Note 25 Short term provisions

(INR in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Gratuity	1.00	0.01	0.00
Compensated Absences	1.41	1.70	0.35
<b>Total</b>	<b>2.41</b>	<b>1.71</b>	<b>0.35</b>

#### Note 25.1 Movement of provisions

Particulars	Compensated Absences	Gratuity
<b>As at 01 April 2021</b>	<b>2.66</b>	<b>1.70</b>
Addition	1.88	3.08
Deletion	-	-
<b>As at 31 March 2022</b>	<b>4.54</b>	<b>4.78</b>
Addition	8.05	8.09
Deletion	-	-
<b>As at 31 March 2023</b>	<b>12.59</b>	<b>12.87</b>

#### Note 25.2 Current and Non-current classification

Particulars	Compensated Absences	Gratuity

Current	0.35	0.00
Non-current	2.31	1.70
<b>As at 01 April 2021</b>	<b>2.66</b>	<b>1.70</b>
Current	1.70	0.01
Non-current	2.84	4.77
<b>As at 31 March 2022</b>	<b>4.54</b>	<b>4.78</b>
Current	1.41	1.00
Non-current	11.18	11.87
<b>As at 31 March 2023</b>	<b>12.59</b>	<b>12.87</b>

#### Note 26 Revenue from operations

(INR in lakhs)

Particulars	For the year ended on 31 March 2023	For the year ended on 31 March 2022
<b>Sale of Products:</b>		
Spirits	10,866.93	5,538.79
By-products	916.42	-
Traded goods	-	664.64
<b>(A)</b>	<b>11,783.35</b>	<b>6,203.43</b>
<b>Services Rendered:</b>		
Bottling Charges	1,787.62	1,556.47
Lease rentals	12.00	12.00
Transportation services	239.36	249.47
<b>(B)</b>	<b>2,038.98</b>	<b>1,817.94</b>
<b>Other Revenue:</b>		
Sale of scrap	45.84	-
<b>(C)</b>	<b>45.84</b>	<b>-</b>
<b>Total</b>	<b>13,868.17</b>	<b>8,021.37</b>

#### Note 26.1 Reconciliation of revenue recognized with Contract Price:

(INR in lakhs)

Particulars	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Contract Price	11,873.65	6,189.79
Less: Items offset against revenue as required under Ind AS 115	90.30	-
<b>Sale of products</b>	<b>11,783.35</b>	<b>6,189.79</b>

#### Note 27 Other Income

(INR in lakhs)

Particulars	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Interest on:		
- Bank deposits	3.38	1.57
- Financial assets / liabilities measured at amortised cost	42.73	40.27
Sale of property, plant and equipments	-	89.36
Unpaid liabilities written back	9.57	0.37
Miscellaneous Income	1.35	1.10

<b>Total</b>	<b>57.03</b>	<b>132.67</b>
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**Note 28 Cost of raw material consumed**

*(INR in lakhs)*

<b>Particulars</b>	<b>For the year ended on 31 March 2023</b>	<b>For the year ended on 31 March 2022</b>
<b>1. Spirits</b>		
Opening Stock	<b>297.90</b>	330.75
Purchase of spirit (including direct expenses)	<b>6,925.90</b>	5,761.08
	<b>7,223.80</b>	6,091.83
Less: Closing Stock (including In-Transit)	<b>892.65</b>	297.90
<b>(A)</b>	<b>6,331.15</b>	5,793.93
<b>2. Grain</b>		
Opening Stock	-	-
Purchases Grain (including In-Transit)	<b>4,357.35</b>	-
	<b>4,357.35</b>	-
Less: Closing Stock (including In-Transit)	<b>153.74</b>	-
<b>(B)</b>	<b>4,203.61</b>	-
<b>Total (A+B)</b>	<b>10,534.76</b>	5,793.93

**Note 29 Changes in Inventory of Finished Goods, Traded Goods, Work-in-progress and By-Products**

*(INR in lakhs)*

<b>Particulars</b>	<b>For the year ended on 31 March 2023</b>	<b>For the year ended on 31 March 2022</b>
<b>Opening Inventories</b>		
- Finished Goods	<b>5.19</b>	5.19
- Traded Goods	-	-
- Work-in-progress	-	-
- By-Products	-	-
<b>(A)</b>	<b>5.19</b>	5.19
<b>Closing Inventories</b>		
- Finished Goods	<b>1,002.10</b>	5.19
- Traded Goods	-	-
- Work-in-progress	<b>96.33</b>	-
- By-Products	<b>94.39</b>	-
<b>(B)</b>	<b>1,192.82</b>	5.19
<b>(Increase)/Decrease in stocks (A-B)</b>	<b>(1,187.63)</b>	-

**Note 30 Employee benefit expense**

*(INR in lakhs)*

<b>Particulars</b>	<b>For the year ended on 31 March 2023</b>	<b>For the year ended on 31 March 2022</b>
Salaries, Wages and	<b>353.64</b>	220.69



Incentives		
Contribution to Provident & Other Funds	22.49	8.31
Provision for Long term employees benefits	15.60	8.35
Staff Welfare	18.77	21.00
<b>Total</b>	<b>410.50</b>	<b>258.35</b>

### Note 31 Finance Cost

(INR in lakhs)

Particulars	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Interest expenses on:		
- Deferred Payment to UPSIDC	49.82	-
- Financial assets / liabilities measured at amortised cost	54.45	46.80
- Others	430.39	183.21
	534.66	230.01
Bank Charges	0.79	0.53
<b>Total</b>	<b>535.45</b>	<b>230.54</b>

### Note 32 Depreciation and Amortisation Expenses:

(INR in lakhs)

Particulars	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Depreciation on Property, Plant and Equipment	316.10	148.65
Depreciation on Right of use Assets	30.48	15.30
<b>Total</b>	<b>346.58</b>	<b>163.95</b>

### Note 33 Other Expenses

(INR in lakhs)

Particulars	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Packing Material and Consumables	271.25	48.82
Power & Fuel	1,322.90	121.66
Packing, Forwarding and Handling Charges	427.37	270.89
Testing & Lab Expenses	3.77	3.63
Repair & Maintenance	71.94	39.55
Rates & Taxes	43.41	16.04
Tours, Transportation & Conveyance	48.80	25.74
Telephone, Postage & Internet Expenses	3.82	6.56
Auditor's Remuneration	3.00	0.66
Legal and Professional Expenses	38.14	23.80
Printing & Stationery	4.86	5.12
Insurance Expenses	2.15	2.15
Security charges	48.24	33.85

Advertisement and Business promotion expense	7.90	0.33
Miscellaneous Expenses	27.58	25.91
<b>Total</b>	<b>2,325.13</b>	<b>624.71</b>

**Note 33.1 Auditor's Remuneration (excluding applicable Tax):**

Particulars	For the year ended on 31 March 2023	For the year ended on 31 March 2022
A) Statutory audit fees (including limited review fees)	3.00	0.66
B) Tax Audit	-	-
<b>Total</b>	<b>3.00</b>	<b>0.66</b>

**Note 34 Earnings Per Share (EPS)**

*(INR in lakhs)*

**(A) Earnings Per Share (EPS)**

Particulars	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Profit after Tax	1,315.99	471.52
Basic Earnings Per Share	8.65	5.95
Diluted Earnings Per Share	8.65	5.95
Nominal value of equity shares	10.00	10.00

**(B) Weighted Average Number of Equity Shares Used as Denominator:**

Particulars	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Number of equity shares at the beginning of the year	7,930,000.00	7,930,000.00
Add: Weighted average number of shares issued during the year	7,287,671.23	-
<b>Weighted average number of Equity shares for Basic EPS</b>	<b>15,217,671.23</b>	<b>7,930,000.00</b>
Add: Dilutive number of shares	-	-
<b>Weighted average number of Equity shares for Diluted EPS</b>	<b>15,217,671.23</b>	<b>7,930,000.00</b>

**Restructuring of Trade Tax/ Compounding tax/ State Development tax/**

**Note 35 Turnover Tax/ VAT and power charges etc.**

*(INR in lakhs)*

- (a) The company had made reference to Board for Industrial and Financial Reconstruction (BIFR), under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985, due to complete erosion of its net worth as on 30th June 2000. The company was thereafter declared a Sick company by BIFR vide its order dated 28.5.2001. As per the sanctioned scheme of BIFR, Govt of UP had deferred Trade Tax/ Compounding tax/ State Development tax/ Turnover Tax/ VAT and power charges etc. A part of the deferred trade tax was also converted into unsecured interest free loan.

- (b) Subsequently in pursuance to BIFR vide order dated 25.07.2016 (as Corrected by the Corrigendum Dated 20.10.2016) and Uttar Pradesh Government's policy for revival of sick unit industries in the State, the Government vide UP Govt order No 1571/77-1-2016-10 (BIFR)/ 2009TC dated 29.12.2016 has granted/ extended the following relief and concessions to the company in respect of the payment of the dues deferred in the past -
- i) Interest Free loan given by PICUP in lieu of deferred trade tax is now payable in 10 annual installments after a moratorium period of 2 years i.e. w.e.f 29.12.2018. The interest charged by PICUP has been waived and no interest would be charged for extended or future period.
  - ii) Trade Tax/VAT/CST deferred by the Commercial Tax Department is to paid in 10 annual installments after a moratorium period of 2 years i.e. w.e.f 29.12.2018. Interest, if any charged by the Commercial Tax Department has been waived and no interest would be charged for future period.
  - iii) The Principal amount of power dues amounting to Rs 641.14 lacs is to paid to Paschimanchal Vidyut Vitran Nigam Ltd in 10 annual installments after a moratorium period of 2 years i.e. w.e.f 29.12.2018. Interest/surcharge levied by PVVNL has been waived and no interest/surcharge would be charged for future period. This has been approved by the Uttar Pradesh Electricity Regulatory Commission in pursuance to the petition filed by the Power Department, Government of UP.
  - iv) The minimum demand charges levied by Paschimanchal Vidyut Vitran Nigam Ltd during the period of disconnection has been waived. This has been approved by the Uttar Pradesh Electricity Regulatory Commission in pursuance to the petition filed by the Power Department, Government of UP.
- (c) The company has deposited a sum of Rs 346.92 lacs with PICUP as security deposit as per the rehabilitation scheme sanctioned by Government of UP on 29.12.2016 in terms of their One Time Policy for the revival of sick units. This amount would be refunded to the company after the completion of the rehabilitation period if the company does not violate any terms and conditions of the rehabilitation scheme. Otherwise this amount would be forfeited. The company has complied with the terms and conditions of the scheme as on the date of signing the balance sheet.

**Note 36 Contingent Liabilities and commitments:**

*(INR in lakhs)*

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
<b>a) Claims against the company not acknowledged as Debts</b>			
-----Demand raised by the Trade Tax Authorities in the year 2005-06, against which the company has filed appeal before Trade Tax Tribunal.	<b>467.03</b>	467.03	467.03
-----Demand raised by the Trade Tax Authorities in the year 2009-10, against which the company has filed appeal before Trade Tax Tribunal.	<b>2.15</b>	2.15	2.15
<b>(A)</b>	<b>469.18</b>	469.18	469.18
<b>b) Commitments</b>			
<b>Estimated amount of contracts remaining to be</b>			

<b>executed on capital account and not provided for:</b>				
-----Buildings		<b>1.04</b>	100.00	500.00
-----Plant and Equipment		<b>0.91</b>	500.00	3,349.50
	<b>(B)</b>	<b>1.95</b>	600.00	3,849.50
<b>Total</b>	<b>(A+B)</b>	<b>471.13</b>	1,069.18	4,318.68

**Note 37 Disclosures as required under Ind-AS 116 "Leases":** *(INR in lakhs)*  
**Maturity analysis of lease liabilities (contractual undiscounted cash flows) on**

**(A) unconditional basis:**

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Upto one year	20.08	-	-
After one year but not more than five years	86.21	-	-
More than five years	-	-	-

*\*The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.*

**(B) Amounts recognized in Statement of profit and loss:**

Particulars	As at 31 March 2023	As at 31 March 2022
Depreciation on ROU assets	30.48	15.30
Interest on lease liabilities	10.15	-
Lease payments not recognised as liability in 'Other expenses':		
----Expenses relating to short-term leases	-	-
----Expenses relating to leases of low-value assets	-	-

**(C) Amounts recognised in Statement of cash flows:** *(INR in lakhs)*

Particulars	As at 31 March 2023	As at 31 March 2022
Total cash outflow for leases	19.17	-

**(D) Future lease Commitments**

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
The total future cash outflow for leases that had not yet commenced	-	-	-

**Note 38 Movement in Deferred Tax Assets / (Liability)** *(INR in lakhs)*

**(A) Movement in Deferred Tax Assets**

Particulars	Unabsorbed depreciation	Brought forward business losses	Liabilities / provisions that are deducted for tax purposes when paid	Right of use assets	Other timing differences	Defined benefit obligations	Total Deferred Tax Assets
<b>As at 31 March 2021</b>	-	-	-	-	-	-	-
----Profit & Loss (Refer note 48)	278.41	-	36.88	16.15	43.18	-	<b>374.62</b>
----Other Comprehensive income (Refer note 48)	-	-	-	-	-	0.28	<b>0.28</b>
<b>As at 01 April 2021</b>	<b>278.41</b>	-	<b>36.88</b>	<b>16.15</b>	<b>43.18</b>	<b>0.28</b>	<b>374.90</b>
----Profit & Loss	-	-	(3.98)	3.85	(4.90)	-	<b>(5.03)</b>
----Other Comprehensive income	-	-	-	-	-	0.48	<b>0.48</b>
<b>As at 31 March 2022</b>	<b>278.41</b>	-	<b>32.90</b>	<b>20.00</b>	<b>38.28</b>	<b>0.76</b>	<b>370.35</b>
----Profit & Loss	6.34	602.69	(1.18)	(14.61)	14.50	-	<b>607.74</b>
----Other Comprehensive income	-	-	-	-	-	(0.14)	<b>(0.14)</b>
<b>As at 31 March 2023</b>	<b>284.75</b>	<b>602.69</b>	<b>31.72</b>	<b>5.39</b>	<b>52.78</b>	<b>0.62</b>	<b>977.95</b>

**(B) Movement in Deferred Tax Liability**

Particulars	Depreciation / amortization on PPE	Other timing differences	Total Deferred Tax Liability
<b>As at 31 March 2021</b>	-	-	-
----Profit & Loss (Refer note 48)	132.74	59.62	<b>192.36</b>
----Other Comprehensive income (Refer note 48)	-	-	-
<b>As at 01 April 2021</b>	<b>132.74</b>	<b>59.62</b>	<b>192.36</b>
----Profit & Loss	72.18	(11.78)	<b>60.40</b>
----Other Comprehensive income	-	-	-
<b>As at 31 March 2022</b>	<b>204.92</b>	<b>47.84</b>	<b>252.76</b>
----Profit & Loss	<b>263.32</b>	<b>(11.15)</b>	<b>252.17</b>
----Other Comprehensive income	-	-	-

As at 31 March 2023			
	468.24	36.69	504.93

**Note 39** A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

(INR in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Accounting Profit (Profit / (loss) before tax)	960.41	536.96
Enacted tax rates in India	25.168%	25.168%
Computed expected tax expense	241.72	135.14
Tax Effect of non-deductible expenses	94.81	38.66
Tax reversals due to expenses allowed for Indian tax purpose	(336.53)	(173.80)
<b>Total Current Income tax expense</b>	-	-

The applicable Indian corporate statutory tax rate for the year ended 31 March 2023 and 31 March 2022 is 25.168%.

**Note 40 Disclosure for Employees Benefits** (INR in lakhs)

The company has a defined benefit gratuity plan as employee's long term benefits. The present value of obligation is determined based on actuarial valuation using the projected unit method, which recognizes each period of service as giving rise to additional unit of employee benefit Entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absence is recognized in the same manner as gratuity.

1	Change in benefit obligation	Compensated Absence		Gratuity	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
a)	Present value of obligation as at the beginning of the period	4.54	2.66	4.78	1.70
b)	Acquisition adjustment	-	-	-	-
c)	Interest cost	0.33	0.18	0.35	0.12
d)	Past service cost	-	-	-	-
e)	Current service cost	7.73	3.26	7.20	3.27
f)	Settlement / Curtailment cost/(Credit)	-	-	-	-
g)	Benefits paid	-	-	-	-
h)	Actuarial (gain) /loss on	(0.01)	(1.57)	0.55	(0.31)

i)	obligation Present value of obligation as at the end of period	12.59	4.54	12.87	4.78
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2	Change in plan assets :	Compensated Absence		Gratuity	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
a	Fair value of plan assets at the beginning of the period	-	-	-	-
b	Actual return on plan assets	-	-	-	-
c	Employer contributions	-	-	-	-
d	Benefits paid	-	-	-	-
e	Fair value of plan assets at the end of the period	-	-	-	-

3	Actuarial gain / loss recognized	Compensated Absence		Gratuity	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-	-	-
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(0.29)	(0.22)	(0.18)	(0.18)
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	0.28	(1.34)	0.73	(0.14)

4	Expense recognized in the statement of profit and loss	Compensated Absence		Gratuity	
		31	31 March	31	31

		March 2023	2022	March 2023	March 2022
a)	Current service cost	7.73	3.26	7.20	3.27
b)	Past service cost	-	-	-	-
c)	Interest cost	0.33	0.18	0.35	0.12
d)	Settlement / Curtailment cost / (credit)	-	-	-	-
e)	Net actuarial (gain) / loss recognized in the period	(0.01)	(1.57)	-	-
f)	Expenses recognized in the statement of profit & losses	8.05	1.88	7.55	3.39

5	Expense recognized in the Other Comprehensive income (OCI)	Compensated Absence		Gratuity	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
a)	Net cumulative unrecognized actuarial gain/(loss) opening	-	-	-	-
b)	Actuarial gain / (loss) for the year on PBO	-	-	0.31	(0.55)
c)	Actuarial gain /(loss) for the year on Asset	-	-	-	-
d)	Unrecognized actuarial gain/(loss) for the year	-	-	0.31	(0.55)

6	Sensitivity Analysis of the defined benefit obligation.	Compensated Absence		Gratuity	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
a)	<b>Impact of the change in discount rate</b>				
	Present Value of Obligation at the end of the period	12.59	4.54	12.87	4.78
	Impact due to increase of 0.50%	(0.85)	(0.23)	(0.85)	(0.24)
	Impact due to decrease of 0.50 %	0.94	0.26	0.94	0.27
b)	<b>Impact of the change in salary increase</b>				
	Present Value of Obligation at the end of the period	12.59	4.54	12.87	4.78
	Impact due to increase of 0.50%	0.95	0.26	0.95	0.27
	Impact due to decrease of 0.50 %	(0.86)	(0.24)	(0.86)	(0.24)

7	Actuarial Assumptions:	Compensated Absence		Gratuity	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022



a)	Mortality Rate	<b>100% of IALM (2012-14)</b>	100% of IALM (2012-14)	<b>100% of IALM (2012-14)</b>	100% of IALM (2012-14)
b)	Discount rate	<b>7.38%</b>	7.22%	<b>7.38%</b>	7.22%
c)	Expected rate of return on plan assets	<b>N.A.</b>	N.A.	<b>N.A.</b>	N.A.
d)	Rate of escalation in salary per annum	<b>6.00%</b>	6.00%	<b>6.00%</b>	6.00%
e)	Retirement Age	<b>58</b>	58	<b>58</b>	58
f)	Employee turnover up to 30 years	<b>3.00%</b>	3.00%	<b>3.00%</b>	3.00%
g)	Above 30 years but up to 44 years	<b>2.00%</b>	2.00%	<b>2.00%</b>	2.00%
h)	Above 44 years	<b>1.00%</b>	1.00%	<b>1.00%</b>	1.00%

*The estimates of future salary increase considered in actuarial valuation take into account the inflation, seniority, promotion and other relevant factors such as demand in the employment market and supply.*

**Note 41 Disclosure of Ratios**

Ratio	Numerator	Denominator	31 March 2023	31 March 2022	% Variance	Reason for change if change more than 25%
Net Profit Ratio	Profit after taxes	Net sales	0.09	0.06	61.43 %	Change in line with increase in revenue
Net capital turnover ratio	Net sales	Working capital	-1.62	-0.93	73.39 %	Change in line with increase in revenue
Return on capital employed	Earnings before Interest and taxes	Capital Employed	0.11	0.06	70.14 %	Change in line with increase in revenue
Return on equity ratio	Profit after Tax	Average Shareholder Equity Funds	1.02	0.59	71.17 %	Change in line with increase in revenue
Return on Investment	Interest Income	Average investments	0.12	0.05	127.85 %	Change due to FD redeemed during the year
Debt service coverage ratio	Earnings Available for	Debt Service	0.12	0.06	78.92 %	Change in line with increase in revenue

	debt service					
Debt- equity ratio	Debt	Equity	6.94	14.66	- 52.70 %	Ratio has improved due to share capital raised in the current year.
Current Ratio	Current Assets	Current Liabilities	0.29	0.13	126.64%	Ratio has improved due to profits made.
Inventory turnover ratio	Net sales	Average inventory	9.93	18.97	- 47.67 %	More inventory is being maintained since new manufacturing facility started.
Trade receivables turnover ratio	Net Credit Sale	Average Account Receivable	95.45	964.51	- 90.10 %	Sales are being made on credit period unlike previous year
Trade Payable turnover ratio	Net Credit Purchase	Average Account Payable	6.45	5.16	24.95 %	-

**Note 42 Additional Regulatory Information**

- (A) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (B) The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013.
- (C) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- (D) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (E) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in other person or entities ("ultimate beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries. The Company has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding that the Company shall lend or invest in other persons or entities identified by or on behalf of the Funding Party or provide any guarantee, security or the like from to or on behalf of the Ultimate Beneficiaries.
- (F) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in

the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(G) The Company has not made any provision for Corporate Social Responsibility (CSR) required as per S.135 of Companies Act, 2013 since the same is not applicable.

(H) The Company does not have any foreign currency exposure.

**Note 43 Related Party Disclosures (INR in lakhs)**

The information given below is only in respect of the transactions entered into by the company or any outstanding, during the year with the related parties.

**(A) Names of the Related parties and description of relationship**

S. No.	Relationship	Name
1	<b>Key Managerial Personnel (KMP)</b>	Arun Kumar Sharma, Whole Time Director Anil Kumar Gupta , Chief Financial Officer Syed Azizur Rahman, Non-executive Director Sanjay Kumar Jain, Non-executive Director Kanishka Jain , Company Secretary Vishal Singh, Independent Director Seema Sharma, Independent Director Sunil Goel, Director (upto 19.12.2020)
2	<b>Person with significant control</b>	Anita Gupta, Promoter & Ex Director (Director upto 14.06.2022)
3	<b>Entity with control over the Company</b>	Suraj Industries Limited (w.e.f July 09, 2022)
4	<b>Other entities under significant influence of KMP and promoters</b>	Vindeshwari Exim Private Limited VRV Foods Limited Express Infra Financial Consultancy Private Limited

**B Transactions during the year with the Related Parties (INR in lakhs)**

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Managerial Remuneration Expense</b>		
<b>Key Managerial Personnel</b>		
Salary to Arun Kumar Sharma	22.20	18.00
Salary to Anil Kumar Gupta	3.27	3.27
Salary to Kanishka Jain	5.32	5.32
	<b>30.79</b>	26.59
<b>Managerial Remuneration Payable</b>		
<b>Key Managerial Personnel</b>		

Salary to Arun Kumar Sharma	1.49	1.25
Salary to Anil Kumar Gupta	0.27	0.24
Salary to Kanishka Jain	0.41	0.41
	<b>2.17</b>	1.89
<b>Interest Expense</b>		
Express Infra Financial Consultancy Pvt Ltd	22.09	11.53
	<b>22.09</b>	11.53
<b>Interest Expense Payable</b>		
Express Infra Financial Consultancy Pvt Ltd	30.26	10.37
Sunil Goel	56.60	56.60
	<b>86.86</b>	66.97
<b>Vehicle Rent Expense</b>		
Vindeshwari Exim Private Limited	3.12	3.12
	<b>3.12</b>	3.12
<b>Vehicle Rent Payable</b>		
Vindeshwari Exim Private Limited	9.07	9.89
	<b>9.07</b>	9.89

(INR in lakhs)

Particulars	As at	As at
	31 March 2023	31 March 2022
<b>Sale of goods</b>		
Vindeshwari Exim Private Limited	256.07	-
VRV Foods Limited	117.60	-
	<b>373.67</b>	-
<b>Unsecured Loan</b>		
<b>Express Infra Financial Consultancy Pvt Ltd</b>		
Opening Balance	0.30	-
Loan received	780.00	416.30
Loan repaid	-	416.00
Closing Balance	<b>780.30</b>	0.30
<b>Anita Gupta</b>		
Opening Balance	663.25	220.00
Loan received	182.50	706.00
Loan repaid	700.95	262.75
Closing Balance	<b>144.80</b>	663.25
<b>Sunil Goel</b>		
Opening Balance	275.00	300.00
Loan received	-	-
Loan repaid	175.00	25.00
Closing Balance	<b>100.00</b>	275.00
<b>Advances Received</b>		

Vindeshwari Exim Pvt Ltd	50.41	-
	50.41	-
<b>Subscription in Share Capital</b>		
Suraj Industries Ltd	360.00	-
Anita Gupta	55.00	-
	415.00	-
<b>Reimbursement of Expenses to:</b>		
<b>Suraj Industries Ltd</b>		
Expenses incurred	4.23	-
Amount paid against expenses incurred	4.02	-
Closing Amount Payable	0.22	-

**Note 44 Segment Reporting**

(INR in lakhs)

**Disclosure as per Indian Accounting Standard (Ind AS) 108 “Operating Segments”**

The company has two business segments- Edible Oil Operations and Liquor Operations. Edible oil operations consist of trading activities and high seas sale of edible oil. No manufacturing is being done for edible oils. Liquor operations consists of manufacturing ENA & IMFL through the Company's plant situated at Sandila, Dist. Hardoi, Uttar Pradesh. The company is exclusively manufacturing IMFL for United Spirits Limited.

Particulars	Edible Oils operations		Liquor operations		Unallocated		Total	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>1. Segment Revenue</b>	<b>30.15</b>	664.63	<b>13,838.02</b>	7,356.74	-	-	<b>13,868.17</b>	<b>8,021.37</b>
Less: Inter-segment Revenue	-	-	-	-	-	-	-	-
<b>Total</b>	<b>30.15</b>	<b>664.63</b>	<b>13,838.02</b>	<b>7,356.74</b>	-	-	<b>13,868.17</b>	<b>8,021.37</b>
<b>2. Segment Results</b>	<b>(31.35)</b>	139.02	<b>1,614.86</b>	672.62	-	-	<b>1,583.51</b>	<b>811.64</b>
<b>Less:</b>								
a) Finance Cost	-	-	-	-	(535.45)	(230.54)	(535.45)	(230.54)
B) Other unallocable expenses	-	-	-	-	(87.65)	(44.14)	(87.65)	(44.14)
<b>Total</b>	<b>(31.35)</b>	<b>139.02</b>	<b>1,614.86</b>	<b>672.62</b>	<b>(623.10)</b>	<b>(274.68)</b>	<b>960.41</b>	<b>536.96</b>
<b>3. Segment Assets</b>	<b>1,093.54</b>	720.57	<b>15,643.59</b>	11,415.45	<b>73.34</b>	-	<b>16,810.47</b>	<b>12,136.02</b>
<b>4. Segment Liabilities</b>	<b>8,053.92</b>	7,840.59	<b>13,000.26</b>	11,021.59	<b>232.59</b>	65.44	<b>21,286.77</b>	<b>18,927.62</b>

**Information about Geographical Segment:**

Secondary Segment Information	India		Outside India		Total	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Revenue	13,868.17	8,021.37	-	-	13,868.17	8,021.37
Non-Current Assets	13,259.44	10,859.96	-	-	13,259.44	10,859.96

**Information about major customers :**

Major customers having revenue exceeding 10% of total revenues	For the year ended on 31 March 2023		For the year ended on 31 March 2022	
	Rs. In lakhs	%	Rs. In lakhs	%
United Spirits Limited	10,027.40	72.31%	7,095.26	88.45%

**Note 45 Fair Value Measurements***(INR in lakhs)*

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement is based on presumption that transaction to sell asset or transfer liability takes place either:

- In the principal market for asset or liability, or
- In absence of a principal market, in most advantageous market for asset or liability.

Fair Value of an asset or liability is measured using assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using asset in its highest and best use or by selling it to another market participant that would use asset in its highest and best use.

The Company uses valuation techniques that are appropriate in circumstances and for which sufficient data are available to measure fair value, maximising use of relevant observable inputs and minimizing use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which lowest level input that is significant to fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which lowest level input that is significant to fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis,

the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**(A) Carrying amounts of Financial Assets and Financial Liabilities in each category are as follows:**

Particulars	As at		As at	
	31 March 2023		31 March 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
<b>At amortised cost</b>				
Trade receivable	287.26	287.26	3.32	3.32
Cash and Cash Equivalents	110.03	110.03	74.41	74.41
Other Financial Assets	285.86	285.86	263.34	263.34
<b>Total</b>	<b>683.15</b>	<b>683.15</b>	<b>341.07</b>	<b>341.07</b>
<b>Financial Liability</b>				
<b>At amortised cost</b>				
Borrowings including short term	12,436.87	12,436.87	11,629.34	11,629.34
Lease liabilities including short term	79.52	79.52	-	-
Trade payables	2,770.62	2,770.62	730.38	730.38
Other financial liabilities	3,394.28	3,394.28	3,653.14	3,653.14
<b>Total</b>	<b>18,681.29</b>	<b>18,681.29</b>	<b>16,012.86</b>	<b>16,012.86</b>

a) Carrying amount of Trade Receivables, Trade Payables, other financial assets, other financial liabilities and Cash & Cash Equivalent are considered to be the same as their Fair Value due to their short term nature

b) Carrying amount of Financial Assets and Liabilities carried at Amortized Cost is considered a reasonable approximation of Fair Value.

**(B) Fair Value Hierarchy**

The following table provides the fair value measurement hierarchy for financial assets and liabilities:

Particulars	31 March 2023			31 March 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Trade receivable	-	-	287.26	-	-	3.32
Cash and Cash						

Equivalents	-	-	<b>110.03</b>	-	-	74.41
Other Financial Assets	-	-	<b>285.86</b>	-	-	263.34
<b>Total</b>	-	-	<b>683.15</b>	-	-	<b>341.07</b>
<b>Financial Liability</b>						
Borrowings including short term	-	-	<b>12,436.87</b>	-	-	11,629.34
Lease liabilities including short term	-	-	<b>79.52</b>	-	-	-
Trade payables	-	-	<b>2,770.62</b>	-	-	730.38
Other financial liabilities	-	-	<b>3,394.28</b>	-	-	3,653.14
<b>Total</b>	-	-	<b>18,681.29</b>	-	-	<b>16,012.86</b>

#### Note 46 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(INR in lakhs)

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The company does not have foreign trade transactions nor any foreign currency transactions. The Board of Directors manages the financial risk of the company through internal risk reports and analyses exposure by magnitude of risk.

The Company's overall risk management procedures to minimize potential adverse effects of financial market on the Company are as follows:

##### (A) Market Risk

Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables or payables. It includes three types of risks: a) Interest rate risk, b) Currency risk and c) price and commodity risk.

A) Interest Rate Risk: The Company's borrowings are at fixed rates. Therefore, interest rate risk does not have any major impact on the company.

B) Currency Risk: Since, Company does not have any foreign currency dealings, this risk is not applicable to the Company.

C) Price and commodity risk: The Company majorly purchases Spirits and Grain in its manufacturing. Since, prices are generally regulated, there are no major movements in the prices. Therefore, the adversity of this risk is low.

##### (B) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument leading to a financial loss. The Company's exposure to credit risk primarily consists of Trade receivables and other financial assets. The Company deals with only few customers since liquor operations are government regulated. Therefore, default risk on the part of debtors is significantly low.

##### (C) Liquidity Risk



The Company's principle source of liquidity are Cash and cash equivalents and cash generated from operations. The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay. The Company has developed appropriate internal control systems and contingency plans for managing liquidity risk.

**Note 47 CAPITAL MANAGEMENT**

*(INR in lakhs)*

**(A) Risk Management**

Capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Management and Board of Directors seeks to maintain a prudent balance between different components of Company's capital. Management monitors capital structure and net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities including lease liabilities less cash and cash equivalents and short term investments.

The capital structure is governed by policies approved by the Board of Directors and monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, lease liabilities, less cash and cash equivalents.

Particulars	As at	
	31 March 2023	31 March 2022
Borrowings including current maturities and short term borrowings	12,436.87	11,629.34
Trade Payables	2,770.62	730.38
Other Payables including Lease Liabilities	3,473.80	3,653.14
Less: Cash & Cash Equivalents	(110.03)	(74.41)
<b>Net Debt (A)</b>	<b>18,571.26</b>	15,938.45
Equity	1,793.00	793.00
Other equity	(6,269.30)	(7,584.60)
<b>Total Equity Capital (B)</b>	<b>(4,476.30)</b>	(6,791.60)
<b>Capital and Net Debt (C=A+B)</b>	<b>14,094.96</b>	9,146.85
<b>Gearing Ratio (%) (A/C*100)</b>	<b>131.76%</b>	174.25%

**(B) Dividends**

The Company has not declared any dividends in the current and previous year.

**Note 48 Reconciliation of Assets, Liabilities and Equity from published audited figures to the restated figures**

A) The company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April 2017, with transition date of 1st April 2016. While applying those Ind AS, there were some errors / omission in respect of the identification, measurement, presentation and disclosure of elements of financial statements related to amortization of right of use assets, restatement of loan received and security deposit given to state financial institution at amortised cost and recognition of deferred tax assets.

B) As per Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", any material prior period errors shall be rectified retrospectively and if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity.  
C) Accordingly, these financial statements have been retrospectively restated as per Ind AS 8 by applying the effects on opening equity as at 01 April, 2021 and the restating the figures for the financial year ended 31 March 2022.

**(A) The effect of such restatement on opening equity is described as below:**

*(INR in lakhs)*

Particulars	As at	As at
	31 March 2022	01 April 2021
<b>Other Equity as per published audited figures</b>	<b>(7,539.29)</b>	<b>(8,099.96)</b>
<b>Adjustments</b>		
<b>Financial assets / liabilities carried at amortised cost:</b>		
-----Loan from PICUP for deferred trade taxes	(37.28)	(33.21)
-----Security deposits given to PICUP for deferred trade taxes	(46.14)	(43.66)
<b>Other adjustments for:</b>		
-----Amortization of right of use assets (ROU Assets)	(79.48)	(64.18)
-----Recognition of deferred tax (including effects of above restatements)	117.59	182.54
<b>Other Equity as per restated</b>	<b>(7,584.60)</b>	<b>(8,058.47)</b>

**(B) The effect of such restatement on STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023 is described as below:**

*(INR in lakhs)*

Particulars	As at
	31 March 2022
<b>Profit after tax as per published audited figures</b>	<b>558.79</b>
<b>Adjustments</b>	
-----Interest income on financial assets / liabilities carried at amortised cost	40.27
-----Interest expense on financial assets / liabilities carried at amortised cost	(46.80)
-----Depreciation on right of use assets (ROU Assets)	(15.30)
-----Recognition of deferred tax (including effects of above restatements)	(65.44)
<b>Profit after tax as restated (A)</b>	<b>471.52</b>
<b>Other Comprehensive income as per published audited figures</b>	<b>1.88</b>
<b>Adjustments</b>	
-----Recognition of deferred tax (including effects of above restatements)	0.47
<b>Other Comprehensive income as restated (B)</b>	<b>2.35</b>
<b>Total Comprehensive income as restated (A+B)</b>	<b>473.87</b>

**(C) The effect of such restatement on BALANCE SHEET AS AT 01 APRIL 2021 is described as below:**

*(INR in lakhs)*

Particulars		As at 01 April 2021	Adjustments	As at 01 April 2021
		Audited		Restated
<b>I.</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non current assets</b>			
	(a) Property, Plant and Equipment	3,494.13	-	<b>3,494.13</b>
	(b) Capital Work in progress	544.69	-	<b>544.69</b>
	(c) Right of Use Assets	1,377.34	(64.18)	<b>1,313.16</b>
	(d) Intangible assets	-	-	-
	(e) Financial Assets			
	-i) Other Financial Assets	434.87	(193.50)	<b>241.37</b>
	(f) Deferred Tax Assets (Net)	-	182.54	<b>182.54</b>
	(g) Income Tax Assets (Net)	24.71	-	<b>24.71</b>
	(h) Other Non Current Assets	618.90	127.91	<b>746.81</b>
	<b>(A)</b>	<b>6,494.64</b>	<b>52.77</b>	<b>6,547.41</b>

Particulars		As at 01 April 2021	Adjustments	As at 01 April 2021
		Audited		Restated
<b>2</b>	<b>Current assets</b>			
	(a) Inventory	363.22	-	<b>363.22</b>
	(b) Financial Assets			
	-i) Trade receivable	13.32	-	<b>13.32</b>
	-ii) Cash and Cash Equivalents	41.99	-	<b>41.99</b>
	(c) Other current assets	313.09	21.93	<b>335.02</b>
	<b>(B)</b>	<b>731.62</b>	<b>21.93</b>	<b>753.55</b>
	<b>Total (A+B)</b>	<b>7,226.26</b>	<b>74.70</b>	<b>7,300.96</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Equity share capital	793.00	-	<b>793.00</b>
	(b) Other Equity	(8,099.96)	41.49	<b>(8,058.47)</b>
	<b>(A)</b>	<b>(7,306.96)</b>	<b>41.49</b>	<b>(7,265.47)</b>
<b>2</b>	<b>Non current liabilities</b>			
	(a) Financial Liabilities			
	- Borrowings	3,229.71	(108.98)	<b>3,120.73</b>
	- Lease liabilities	-	-	-
	(b) Provisions	4.01	-	<b>4.01</b>
	(c) Other non-current	2,690.69	121.38	<b>2,812.07</b>

	liabilities				
		<b>(B)</b>	5,924.41	12.40	<b>5,936.81</b>
<b>3</b>	<b>Current liabilities</b>				
	(a) Financial Liabilities				
	- Borrowings		4,482.89	-	<b>4,482.89</b>
	- Lease liabilities		-	-	<b>-</b>
	- Trade payables				
	A) total outstanding dues of micro enterprises and small enterprises		24.00	-	<b>24.00</b>
	B) total outstanding dues of creditors other than micro and small enterprises.		1,479.20	-	<b>1,479.20</b>
	- Other financial liabilities		2,133.28	-	<b>2,133.28</b>
	(b) Other current liabilities		489.09	20.81	<b>509.90</b>
	(c) Provisions		0.35	-	<b>0.35</b>
		<b>(C)</b>	8,608.81	20.81	<b>8,629.62</b>
	<b>Total (A+B+C)</b>		7,226.26	74.70	<b>7,300.96</b>

(D) The effect of such restatement on **BALANCE SHEET AS AT 31 MARCH 2022** is described as below: *(INR in lakhs)*

Particulars		As at 31 March 2022	Adjustments	As at 01 April 2021	
		Audited		Restated	
<b>I.</b>	<b>ASSETS</b>				
<b>1</b>	<b>Non current assets</b>				
	(a) Property, Plant and Equipment	3,409.21	-	<b>3,409.21</b>	
	(b) Capital Work in progress	5,329.60	-	<b>5,329.60</b>	
	(c) Right of Use Assets	1,377.34	(79.48)	<b>1,297.86</b>	
	(d) Intangible assets	-	-	<b>-</b>	
	(e) Financial Assets				
	-i) Other Financial Assets	437.39	(174.05)	<b>263.34</b>	
	(f) Deferred Tax Assets (Net)	-	117.59	<b>117.59</b>	
	(g) Income Tax Assets (Net)	55.80	-	<b>55.80</b>	
	(h) Other Non Current Assets	280.58	105.98	<b>386.56</b>	
		<b>(A)</b>	10,889.92	(29.96)	<b>10,859.96</b>
<b>2</b>	<b>Current assets</b>				
	(a) Inventory	482.56	-	<b>482.56</b>	
	(b) Financial Assets				
	-i) Trade receivable	3.32	-	<b>3.32</b>	
	-ii) Cash and Cash Equivalents	74.41	-	<b>74.41</b>	
	(c) Other current assets	693.83	21.94	<b>715.77</b>	

	<b>(B)</b>	1,254.12	21.94	<b>1,276.06</b>
	<b>Total (A+B)</b>	12,144.04	(8.02)	<b>12,136.02</b>

Particulars		As at	Adjustments	As at
		(B)		01 April 2021
		Audited		Restated
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Equity share capital	793.00	-	<b>793.00</b>
	(b) Other Equity	(7,539.29)	(45.31)	<b>(7,584.60)</b>
	<b>(A)</b>	<b>(6,746.29)</b>	<b>(45.31)</b>	<b>(6,791.60)</b>
<b>2</b>	<b>Non current liabilities</b>			
	(a) Financial Liabilities			
	- Borrowings	6,758.01	(84.11)	<b>6,673.90</b>
	- Lease liabilities	-	-	-
	(b) Provisions	7.61	-	<b>7.61</b>
	(c) Other non-current liabilities	2,271.12	100.59	<b>2,371.71</b>
	<b>(B)</b>	<b>9,036.74</b>	<b>16.48</b>	<b>9,053.22</b>
<b>3</b>	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	- Borrowings	4,955.44	-	<b>4,955.44</b>
	- Lease liabilities	-	-	-
	- Trade payables			
	A) total outstanding dues of micro enterprises and small enterprises	15.16	-	<b>15.16</b>
	B) total outstanding dues of creditors other than micro enterprises and small enterprises.	715.22	-	<b>715.22</b>
	- Other financial liabilities	3,653.14	-	<b>3,653.14</b>
	(b) Other current liabilities	512.92	20.81	<b>533.73</b>
	(c) Provisions	1.71	-	<b>1.71</b>
	<b>(C)</b>	<b>9,853.59</b>	<b>20.81</b>	<b>9,874.40</b>
	<b>Total (A+B+C)</b>	12,144.04	(8.02)	<b>12,136.02</b>

#### Note 49

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and postemployment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

#### Note 50

Previous year's figures have been regrouped/reclassified, wherever considered necessary, to conform to current year's classification.

**For Pawan Shubham & Co.  
Chartered Accountants  
Firm Registration No: FRN-011573C**

**Sd/-  
(CA. Krishna Kumar)  
Partner  
Membership No.: 523411**

**Place: Delhi  
Date: 29.05.2023**

**For and on the Behalf of Board of Directors  
Shri Gang Industries & Allied Products Limited**

**Sd/-  
Arun Kumar Sharma  
(Whole Time Director)  
DIN- 09008061**

**Sd/-  
Anil Kumar Gupta  
Chief Financial Officer  
PAN: AUTPG8098D**

**Sd/-  
Syed Azizur Rahman  
(Director)  
DIN- 00242790**

**Sd/-  
Kanishka Jain  
Company Secretary  
M. No.: A54347**